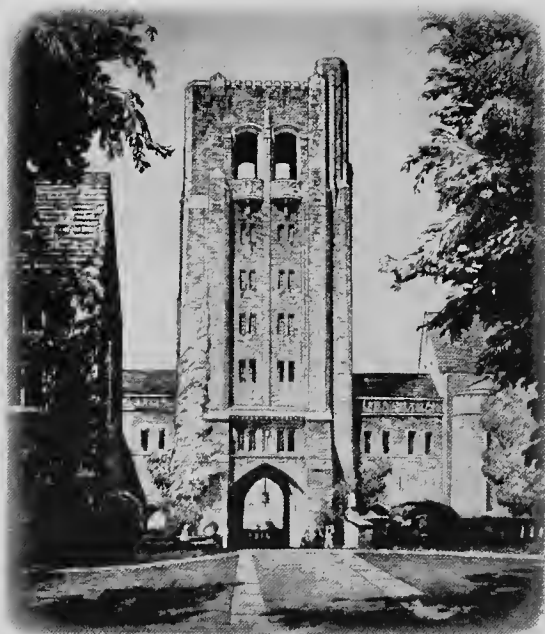




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# DEMOCRACY IN RECONSTRUCTION

EDITED BY

FREDERICK A. CLEVELAND

FORMERLY CHAIRMAN OF PRESIDENT TAFT'S COMMISSION  
ON ECONOMY AND EFFICIENCY

AND

JOSEPH SCHAFER

PROFESSOR OF HISTORY IN THE UNIVERSITY OF OREGON AND  
VICE CHAIRMAN OF THE NATIONAL BOARD  
FOR HISTORICAL SERVICE



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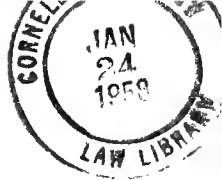
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## CONTENTS

- I. The Historical Background of Reconstruction in America.....*Joseph Schafer*..... 3

### I. IDEALS OF DEMOCRACY

- II. Ideals of Democracy as Interpreted by President Wilson.....*Frederick A. Cleveland*.... 25
- III. The Underlying Concepts of Democracy.....*W. W. Willoughby*..... 48

### II. INSTITUTIONS OF DEMOCRACY

- IV. Democracy and Private Property...*Carl Kelsey*..... 69
- V. Democracy and the Family.....*Arthur J. Todd*..... 96
- VI. Democratization of Institutions for Social Betterment.....*Edward Cary Hayes*..... 111
- VII. Democratization of Institutions for Public Service.....*W. F. Willoughby*..... 146

### III. AFTER-WAR SOCIAL PROBLEMS

- VIII. Democracy and Health.....*Esther Lovejoy, M.D.*..... 165
- IX. The Child and the New Order.....*Mary Elizabeth Titzel*..... 193
- X. The Educational Lessons of the War *Samuel P. Capen and Charles R. Mann*..... 212
- XI. Saving and Thrift.....*Willis H. Carothers*..... 244
- XII. Social Insurance.....*Samuel McCune Lindsay*..... 263

### IV. AFTER-WAR LABOR PROBLEMS

- XIII. Demobilization and Unemployment.*Harold G. Moulton*..... 293
- XIV. Capital and Labor.....*William F. Ogburn*..... 305

### V. AFTER-WAR TRANSPORTATION PROBLEMS

- XV. Our Transportation System — Elements in Reconstruction.  
*An Introductory Note by the Editors*.. 329

XVI. Military Motor Transport — Its Lessons for Peace.....	<i>Frederick A. Cleveland</i> .....	337
XVII. Motorized Highways the Basis of a National Transport System....	<i>R. C. Hargreaves</i> .....	358
XVIII. The Railroad Problem. <i>Statement of the Interstate Commerce Commission</i> ..		382
XIX. Ocean Commerce in War and Re- construction.....	<i>William E. Lingelbach</i> .....	397
<b>VI. AFTER-WAR POLITICAL PROBLEMS</b>		
XX. Need for Readjustment of Rela- tions between the Executive and the Legislative Branches of Gov- ernment.....	<i>Frederick A. Cleveland</i> .....	423
XXI. The Rights and Duties of Mi- norities.....	<i>Chester Collins Maxey</i> .....	446
XXII. The Commonwealth Conference....	<i>Frederic G. Young</i> .....	468
XXIII. The Evolution of Democracy: A Summary.....	<i>Charles A. Beard</i> .....	486
INDEX.....		493



**DEMOCRACY IN RECONSTRUCTION**  
**THE HISTORICAL BACKGROUND OF**  
**RECONSTRUCTION IN AMERICA**

**JOSEPH SCHAFER**

*Professor of History in the University of Oregon and  
Vice-Chairman of the National Board for Historical  
Service*

# DEMOCRACY IN RECONSTRUCTION

## I

### THE HISTORICAL BACKGROUND OF RECONSTRUCTION IN AMERICA

JOSEPH SCHAFFER

**America and Europe.** War-swept Europe avowedly approaches reconstruction as an inescapable problem growing out of the material and human devastation wrought by the holocaust of the last four years. We Americans, standing in safety behind the wide barrier of the sea, touched by the War only so far as we came into it during its later stages, are fondly protesting our immunity from a similar compulsion. We look about over our imperial domain, unscarred by high explosives, peaceful, smiling, productive; and upon our people whose happy fortune it was to have helped mightily while suffering comparatively light losses; we see the roystering prosperity incident to the War still trying to persist in many of its manifestations, and we are loath to admit that the word reconstruction has any relevancy here. Our case, it seems to us, is unique.

This conclusion, on a superficial view of the facts, is incontrovertible. We are distinctly better off than any of the European belligerents, and we have suffered less injury even than some neutral countries. At least, it is apparent that the United States, by virtue of its stupendous material resources, has become the underwriter of the world's credit system as well as the world's main resource for food during the transition era following the War.

Europe's double motive. But there is another side to the picture. Even a cursory examination of the reconstruction literature of, let us say, Great Britain will disclose a twofold program.<sup>1</sup> One portion of it has a direct relation to problems created by the War, such as demobilization, buffer employment, after-war trade, restored shipping, conservation of raw materials, coal, iron, and electricity. On the other hand, the elaborate programs for labor adjustments, housing, freer access to the land, agricultural improvement, Government regulation of industry, special and general education — these are problems of reform which had already attained great prominence in public discussion before the War and which recent events have merely rendered more critical. So that, as British and other European writers confess, reconstruction implies with them a general overhauling of the social and industrial system — possibly also the political system — in the belief that now, to quote Lloyd George, things are in so “molten” a state as to be easily remolded to a more ideal form. Some reforms are imperative, others are desirable. Both types can be wrought out more easily while things remain “molten” than when they become once more merely “malleable.” In a word, the Old World has agreed that this peace-time shall make the starting-point in a new era — a better era, more hopeful, just, and humane than any which preceded it.

**World unity in thought.** Millions of Americans sympathize with that attitude. The basis of their sympathy is in part the growing unity of the world's thought on subjects happily described long ago as “the rights of man.” Increasingly, as the physical world has perfected its facilities

<sup>1</sup> See bibliography on *The Peace and Reconstruction*, prepared by the National Board for Historical Service. World Peace Foundation, Boston, February, 1919. Also “Some British Reconstruction Views,” in *The Historical Outlook*, Philadelphia, February, 1919.

for communication, have the spiritual forces of mankind coursed over seas and continents unimpeded by either natural or political boundaries. To-day the world is a single vast community in the sense that ideas which inform the life of all its parts are common to all. This result — the best fruit of historical evolution — is the ground of our hope for a new international arrangement which will render the coming peace enduring.

**America's historic ideals.** America, however, has in her own peculiar history an additional basis of interest in plans for fundamental reconstruction. Our people have never forgotten that American history exemplified "the rights of man" as projected in the days of our national beginnings. They recall, indeed, that it was the "liberty" and "equality" enjoyed by their ancestors which gave the character of authenticity to the democratic doctrines as these surged like leaping flames over the face of Europe after the French Revolution.

And there is another thing Americans remember: that American democracy up to recent times connoted a three-fold equality of opportunity — political, social, and economic. The emergence on our own soil and the growth of this new description of human life were the distinguishing characteristics of American history at least until toward the close of the nineteenth century. The struggle for its maintenance against other forces also inherent in our system, which are hostile to it, particularly in its social and economic aspects, has been called the key to the more recent history.<sup>1</sup>

The promoter's synonym for the United States — "The Land of Opportunity" — is by no means an invention of the modern commercial intellect. The idea at least, if not the

<sup>1</sup> See Turner, F. J.: "Social Forces in American History," *American Historical Review*, vol. xvi, pp. 217-33.

form of expression, runs back to the very beginning of plans for settling America. It is found in Hakluyt's *Discourse of Western Planting*, written in the days of Queen Elizabeth. The same idea occurs again in the writings of Francis Higginson, an austere Puritan of early Massachusetts. Higginson wrote about the "commodities of New England," mentioning every obvious good in turn — the soil, the timber, the fish, the wild game, and even the atmosphere, declaring that "a sup of New England's air is better than a whole draught of old England's ale." But in all he says the deepest enthusiasm underlies his remarks about the ease and certainty with which the essential needs and comforts of life could be secured. There, in his new world, was no unemployment and no pinch for food. "Little children here," he says in one place, "by setting of corn can earn much more than their own maintenance." Again, "A poor servant here, who is to have no more than fifty acres can afford to give more timber and wood for fires than many a nobleman in England can afford to do. Here is good living for those who love good fires." <sup>1</sup>

There we have America's "First Frontier," which was at the same time the frontier of Europe. How great and how continuous was the influence exerted by such ideas upon the older societies across the sea during the history of colonization then just begun, would be an interesting inquiry. We are concerned, however, with the influence upon American society of the fact that it was molded, out of European elements, in an environment of primitive freedom and abounding opportunity for men of strong, self-reliant type. The second, third, and all other frontiers were, with variations, essentially like the first. During the Revolution a Pennsylvania writer described the American as a European who,

<sup>1</sup> Higginson, Francis, "New England's Plantations, 1630," in Stedman and Hutchinson's *Library of American Literature*, vol. I, pp. 66-71.

by settling in the New World, had created for himself a bright-hued future. "Here," he said, "the rewards of his industry follow with equal step the progress of his labor. . . . From involuntary idleness [unemployment] servile dependence, penury, and useless labor, he has passed to toils of a very different nature, rewarded by ample subsistence."<sup>1</sup>

These writers of the American foretime utter a language with whose every tone and cadence we are familiar. It was appeals like that of Higginson which enticed the men of the old Revolutionary Army beyond the Alleghenies to Ohio, or to the Southwest; by similar means the various historic "rushes" were directed now to the prairies of Illinois, again to Kansas, Nebraska, and Iowa, to Texas and Oklahoma, to California and to the Great Northwest. With incredible strides the frontier passed across the continent, from Atlantic to Pacific. The movement constitutes not merely the major epic of American history, but also, within limits, its best interpretation.<sup>2</sup>

From the days when Governor Dale's men began setting tobacco in the fat river loams along the James, and Hooker's Puritans sought pasture for their multiplying herds on the lowlands of the Connecticut, the land lured the landseeker westward. For beyond the James were the Kanawha, the Cumberland, the Tennessee, and the hundred valleys of the Mississippi system; beyond the Connecticut were the Hudson, the Susquehanna, Allegheny, and Ohio, linked again by long reaches with the Missouri and the Columbia.

<sup>1</sup> Crèvecoeur, Hector St. John de: *Letters of an American Farmer*. London, 1782.

<sup>2</sup> Turner, F. J.: *Significance of the Frontier in American History*. For other essays by the same author interpretative of American history, see Channing, Hart, and Turner, *Guide to the Study and Reading of American History*. Boston, 1912. Also in bibliography of *The Peace and Reconstruction*. World Peace Foundation, 1919.

The land was not absolutely free, but it was cheap and easy to acquire. Any man could have a generous portion with merely so much exertion or sacrifice as was contributory to self-respecting manhood. Only the "loafer" or sub-caliber person would fail to acquire land and that failure fixed upon men the stigma of being socially incompetent.

**Frontier social and political traits.** Cheap land was the basis of the American democracy. All the virtues implied in literary tributes to the "sturdy yeomanry" characterized the free American farmer class. They had a spirit of independence which corresponded to the facts of their economic self-sufficiency and their social equality. But with this went commonly an ability and readiness to coöperate for practical ends, ranging all the way from barn-raisings to church dedications in purely local matters, and including also a variety of political activities under the governments of town and county. Such special manifestations of community self-helpfulness as the Western Claims Associations, by which the intent of the Government to sell wild lands to the highest bidder was practically nullified in the interest of settlers as against speculators, and by which also "claim-jumping" was effectually discouraged, are prophetic of many things in the more recent history of the country.<sup>1</sup> The spontaneous freedom of natural resources — farm-land, timber, water-powers, minerals — made the frontier democrat a natural hater of every kind of obstructive monopoly. "Speculators' lands," "railroad sections," "company timber," absentee-owned mines — all these were an offense to the community of free farmers environing them. So they used the speculators' lands as "cow commons," with no thought of compensation to the owner, and they never hesitated to tax absentee owners in an exemplary way if that

<sup>1</sup> See Shambaugh, Benj. F.: *Claim Association of Johnson County, Iowa*, Introduction. Iowa City, 1894.



were legally possible. The absentee owner might get rich out of unearned increments when his property was finally sold, but as owner he trod a thorny trail.<sup>1</sup>

On the side of political democracy the frontier was the Nation's training-ground. Older sections had their "first-families" and their traditional "selectmen," but not so the new settlement. Here was a fresh, unprejudiced try-out for leadership which involved not merely the testing of intellectual and political abilities, but the fitness of these to meet the new circumstances. In the race for preferment, social adaptation and tact often counted for more than special training; and the frontier "career of honors," beginning on the primitive plane of local constable and passing by easy gradations to State Representative or even Congressman, the motive of political ambition produced a continuous and not unwholesome agitation of the social mass. If not all could be leaders, most at least could be near leaders or a highly independent type of followers.

Much has been written about the failure of popular government in novel situations like that which prevailed in California during the early years of the gold rush.<sup>2</sup> But when one reflects that American experience had been limited mainly to easily directed rural communities and to States prevailingly agricultural, the wonder is not that California showed a partial and temporary failure, but that ultimately it affords an example of relative success. The same generalization will apply to other cases where political problems

<sup>1</sup> At this day a woman who is absentee partner in a small Alaska gold mine can obtain her share of the annual product in one way only, namely, by going to the mine, taking her place alongside the other partners on the sluice-box, and receiving the gold as it is washed free. Her partners are not dishonest men, but they are frontiersmen, and it would not occur to them that the gold belonged to her unless she were there to join in the work of collecting and saving it.

<sup>2</sup> Royce, Josiah: *California — A Study in American Character*, *passim*. Boston, 1886.

emerge from the primitive and take on the complexity characteristic of the newer time. The American people, trained to an habitual independence in political action, recognizing no final limitations upon popular control, even when that control had to be exercised by a vigilance committee, are quite as ready to-day to readjust their political machinery at the challenge of forces inimical to democracy, as they were in San Francisco in 1856.<sup>1</sup>

**American optimism.** The relation of the spirit of "dare and do" — so noticeable in our public affairs — to the proverbial American optimism, is closer than may at first appear, and optimism is one feature of the national psychology most clearly traceable to the unstinted opportunity of American life and its freedom from the fundamental terrors of hunger and want. The great financial panic of 1837 bankrupted thousands of Eastern business men, most of whom were victims of a bad system and were not personally to blame. Did it lead to an epidemic of suicides? Not at all; it led to a general migration westward. And the prairies of Illinois, the "oak openings" of Michigan, received in consequence some of the best human material the Nation afforded, to the lasting glory of their new societies.<sup>2</sup> A sect of religionists, endued with all the perversity that Timothy

<sup>1</sup> The use of forcible coercion to produce unity of action during the war, while often exercised in ways that are unjust, was decidedly not "un-American." As a social phenomenon it is significant chiefly as showing that when the American people largely agree upon a common objective having in it an ideal good, the mass energy with which they pursue it will not be stayed or swerved by ordinary personal or even legal restraints. We may deplore the fact, but we may not blink it.

Cf. Carver, T. N.: "Are we in Danger of becoming Prussianized?" *Military Historian and Economist*, April, 1918, pp. 112-27.

<sup>2</sup> Michigan, especially, owes much to this migration of energetic, enterprising, cultured people from the Eastern cities. The writer received the story from Dr. Thomas Condon, one of the emigrants, who afterwards went to Oregon as a missionary and became in time a famous teacher and geologist.

Dwight noted in the settlers of interior New England in 1795,<sup>1</sup> finds it impossible to live in the East or the older West by reason of both lawful and unlawful persecutions. So they take up the line of march over a thousand miles of plain and mountain, toiling, struggling, suffering, to a new home in the heart of the Cordilleras. Here, cut off from all the world, in a land which was once a gleaming, blistering desert, they build their "New Canaan" in "church and commonwealth"; and the desert has blossomed from the year of their arrival.<sup>2</sup>

The process of American history, indeed, during the free land era, was by its very nature socially redemptive. Kipling makes his "settler" say:

"Here, where my fresh-turned furrows run,  
And the deep soil glistens red,  
I will repair the wrong that was done  
To the living and the dead" —

lines which, freely interpreted, are as applicable to Kansas or California as to the Rand or the Transvaal. Since the unit in any democratic society is the plain man who seeks a mode of realizing himself, the man who for any reason is denied a chance is to that extent oppressed. In primitive America he suffered no denial. Always there were conditions on the one frontier or on the other, which fitted the individual case and afforded the means of escape from former handicaps, whatever they were — often enough bad habits or an unsocial disposition which alienated neighbors and friends and could be hopefully reformed only among new people. The unsuccessful man needed not to be permanently unsuccessful. He always had "another chance." And if he used up all of his opportunities without manifest

<sup>1</sup> Dwight: *Travels*, vol. II, pp. 458-63.

<sup>2</sup> See Bancroft, H. H.: *The History of Utah*. San Francisco, 1890. Or Linn, William A.: *The Story of the Mormons*. London, 1901.

personal profit, his family might nevertheless be the beneficiaries and thus the desired social result be achieved. Hardly an American in middle life but can recall examples of men and families deemed to be failures in an older social soil, who, transplanted to the newer West, took root and flourished, "growing up with the country."<sup>1</sup>

**Influence of free lands on the condition of laborers.** Said Senator Benton, in 1830, speaking of the industrial laborers: "These poor people wish to go to the West and get land; to have flocks and herds — to have their own fields, gardens, and meadows — their own cribs, barns, and dairies; and to start their children on a theater where they can contend with equal chances with other peoples' children for the honors and dignities of the country."<sup>2</sup>

Benton was contending for the freest possible method of disposing of the public land, and against restrictions which would make the acquisition of land more difficult. He pointed out, significantly, that the status of industrial labor in America differed from that of European labor precisely in this: that in Europe there was no land which poor laborers could get, and so they were compelled to work cheaply, while in America they had access to land and were not compelled to work cheaply.

The great fact is that so long as cheap lands lasted American laborers were insured against low wages, against unemployment, and they had the equivalent of the old-age pension in the opportunity, which was generally taken, to secure land before the years of productive labor were over. More-

<sup>1</sup> It is doubtful if history furnishes another example of the social redemption of a large body of outcasts which is more striking than the well-known case of the so-called "redemptioners" or "indentured" servants of early Virginia and other colonies. On a smaller scale the same process was going on constantly as long as free lands remained.

<sup>2</sup> *Register of Debates in Congress*, 21st Congress, 1st Session, Sen., vol. vi, pt. 1, p. 24. (Jan. 18, 1830.)

over, the children of the industrial laborers furnished constant accessions to the class of independent landholding citizens. Employers of factory labor recognized that, roughly, the wages they must pay corresponded to the productivity of labor as applied to the land. In consequence, manufacturers had the problem of maintaining profits at such a level as would permit them to pay "American" wages as against the wages paid "pauper labor" in Europe. Of course, when the supply of cheap land was gone, the natural regulator of wages was gone also, and then society, as opposed to the manufacturers, had the problem of securing the welfare of labor by social and legal means. Tariffs, labor unions, Government regulation of certain industries, minimum-wage laws, laws for workmen's insurance against unemployment, sickness, and old age; special attention to public-school education, from the primary to the college, in order to give the children of laborers a fair chance — these are some of the issues involved in the complex labor problem.<sup>1</sup> It seems inevitable that men should have derived from religion, philosophy, or "natural law" the doctrines now so firmly held in all civilized countries with respect to the right to labor, the living wage, and conditions of well-being based on the idea of making the laborer and his family effective and useful members of society and good citizens of the State. But, in America, we have a social memory which enforces those doctrines. While in Great Britain, in Germany, in Russia, the social memory is of conditions less free and wholesome than the present, with us exactly the reverse is true. Our history utters an authoritative

<sup>1</sup> See labor planks in recent party platforms as showing what measure of protection labor demands. Industrial labor has been, since the thirties of last century, one of the most powerful influences in building up the system of free public education in the manufacturing towns. See Commons, John R.: *Documentary History of American Industrial Society*, Introduction to vol. v, and Index, vol. x.

word on the demand for such a reconstruction in the domain of industry, the details of which must be worked out by specialists, as will safeguard American democracy against revolution or anarchy on the one hand, and on the other against social stagnation or decay. It suggests the principle of social welfare as the touchstone for the determination of every question involved in the complicated problems of the relation of capital and labor.

History also suggests that while the labor question could be favorably influenced by a reformed land policy, which would make land for agriculture more accessible than it has been in recent years, a policy the need of which would seem to be self-evident, yet it will have to be solved in terms of industry. No one who can appreciate the stubborn force of social habit will expect the laboring populations of our congested cities to seek the country in relatively large numbers.

**Effect on the immigration question.** Immigration began to seem like a problem during the forties of the last century when the influx of assisted immigrants from the British Isles, especially Ireland, and of political refugees from Germany, made an aggregate so large as to arouse the fears of the American people. But we soon found that those fears were groundless. For the immigrants went West, in large numbers, first to find work and then to get land. As streams of home-seekers, they met and mingled with more numerous and greater streams from the colonizing sections of the United States. To change the figure, on the new frontiers they entered into the weave of American society like the minor colors in a pattern on the loom, and the result was usually a harmonious blend. The public school, the democratic association of neighbors, the common performance of citizens' duties in local governments open to the inspection of all, the business of gaining "a stake in the community"

— all these contributed to the success of an assimilation process which was usually so normal as to be quite unconscious. Only in the isolated cases of the formation of colonies did foreigners remain foreigners. These cases occurred mainly in the older States through the general desertion of a farming district by Americans and its possession by the more thrifty Germans, or other European farmers. And such small areas of alien population were negligible.

It used to be considered remarkable in the Western States if a mature immigrant of non-English speech failed to learn English enough to neighbor with the American settlers. And it was expected that his children would speak, read, and write the language of America whether or not they retained the use of their mother tongue. In the normal case the children lost all effective use of their mother tongue and became in every outward aspect American.

The Civil War, which put these Western communities to the test, proved the genuineness of the assimilative process. These people were Americans, proud, upstanding patriots, ready to march into battle singing the war anthem, "A Thousand Years My Own Columbia," shoulder to shoulder with their neighbors who might have inherited the traditions of six generations of American forbears. Theirs was the old flag, the majestic union which it symbolized, the liberty, prosperity, and happiness constituting a bountiful reward for all past and prospective perils and sacrifices.

There is no secret about the method of attaining the degree of social unity manifested in those days of fiery trial. The process was largely spontaneous. The aliens wanted to be Americans because they loved America as the "land of their dreams," and they believed in the country for the bountiful measure of its opportunities. In order fully to enjoy these, they must learn the speech, the thought, and

the ways of the American part of the community, which was always the effective, dominating majority.<sup>1</sup>

**The district school.** The American district school, now under such deep condemnation, deserves well at the hands of the historian. It was marvelously adapted to the needs of frontier rural communities, for essentially it was based on a neighborhood organization which might be larger or smaller according to circumstances. Whenever immigration pushed into a new valley or occupied additional areas anywhere, the school could be set up as soon as three or four families were settled. It grew with the growth of population, it multiplied its units to suit community needs. In a word, the district school brought educational facilities to every American home however remote from population centers. The spirit of adventure sometimes carried Americans into strange, distant, almost unheard-of sections of our national domain, but wherever they went, whether to the plains of Kansas, the mountains of Wyoming, or the valleys of Oregon, they took the district school with them.

Rarely do the present-day critics of the district school recognize fully its importance in the history of American democracy. Orators, indeed, have not infrequently proclaimed it the "sheet anchor" or the "palladium" of our liberties without much care to analyze the content of those

<sup>1</sup> On the history of the American ideal of "hospitality" to those of other lands, and the present status of that ideal, see Schafer, Joseph, "Historical Ideals in Recent Politics," *An. Rept., Am. Hist. Assn.*, 1916, vol. I, pp. 459-68.

The writer is convinced that a study of the facts and conditions of assimilation on the frontier would furnish the surest guide to the principles upon which the alien, or immigration, question must be settled. Those principles in outline are as follows:

- (1) The aliens must not be too numerous.
- (2) They must not be too unlike our own people.
- (3) They will have to be thoroughly intermingled with Americans.
- (4) They must be so hopefully situated as to feel the inner urge to become Americans.



high-sounding phrases. But the fact is that the district school, as an institution of rural education in the period during which American life was mainly expansive, was fairly adequate to its purpose. It provided opportunity for instruction in reading, in writing, in arithmetic; it stimulated patriotism through reading, reciting, and special exercises; it inculcated the ideals and the habits of rigid morality which derived from New England, the primal source of the school itself.

It was due largely to the district school that, in all the Northern States, the sentiment for the maintenance of the Union was strong enough to sustain Lincoln's policies at the beginning of the Civil War. When the Civil War came, a young man, who had gone to the University of Michigan four years earlier from a rural district in Indiana, returned to his old home to raise a company of soldiers, which he accomplished with ease. Many years later this man, who rose to the rank of brigadier-general, testified that sixty per cent of his original company could recite the peroration of Webster's *Reply to Hayne*, having learned it in the speaking contests in the district school.<sup>1</sup> The school had unified the North despite the rich diversity of its population.

In those local affairs of a political or administrative nature, like the management of township and county business, the training of the district school, supplemented by experience, enabled men to gain a passable success. And it was by no means a rare occurrence for a gifted man, with no formal training beyond the district school, to rise to high place in the State Government as well; though in most cases the lawyers and others who so largely monopolized the function of legislation, national and state, received some higher training.

<sup>1</sup> General W. H. H. Beadle. The statement was made by him fifty years later, on the basis of his recollections.

The district school gave no direct vocational training, but under the conditions of life, characterized by a primitive agriculture carried on by methods which were based on habit and tradition, no special vocational training was required. The boy reared on, let us say, a Wisconsin farm, who attended the district school four months each winter for six or seven years and there received the usual rudiments of literature, composition, and accounting, meantime serving a stiff apprenticeship to his farmer parent, was well equipped to win success for himself as a farmer on the free lands of Iowa, Nebraska, or Dakota when he arrived at man's estate. And one such case epitomizes the vocational history of millions.

Why it is not now an adequate educational agency. What the average boy thus trained would do were he to try farming on land costing from \$100 to \$500 per acre as at present, or were he to enter any one of the modern businesses with its requirement of close and penetrating intelligence, is easy to imagine. He would fail for want, first, of an adequate *general* education calculated to free the mind, and, second, of a *special* training to give him control of the facts and principles governing his particular business. A similar statement could be made regarding the difference between the training requisite for citizenship under conditions of pioneer simplicity and present-day complexity of public affairs. If the district school, such as it was, proved adequate from the vocational and the citizenship standpoints under frontier conditions, then, in view of changes which have come since the passing of the frontier — in view of the intensely dynamic quality of American life, which fairly bristles with social and economic problems — a thorough education through the high school and including vocational training would certainly not be excessive to-day, for the average boy or girl.

Harking back to a "golden age" may be unprofitable or the reverse, depending on the spirit of the inquiry it implies. By contrasting the life of laboring men in his own time and country with that of a certain mediæval manor, Carlyle was able to point the moral that ideal human welfare is by no means guaranteed by a policy of *laissez faire*.<sup>1</sup> But this in no wise justified his apparent assumption that autocratic control exercised over the lives of common men by persons whose responsibility was purely moral, would prove a satisfactory solution of the problem.

No sane person would wish to project the crude *conditions* of America's primitive age into the future; but every student of our social history must feel a desire to conserve much of the *spirit* of that America, the America of free lands and an economic system based on individual initiative, which is now receding into the background of life and becoming a social memory.

"Others may praise what they like;  
But I, from the banks of the running Missouri,  
Praise nothing, in art or aught else  
Till it has breathed well the atmosphere  
of this river — also the western prairie-scent,  
And fully exudes it again." <sup>2</sup>

**Passing of the frontier.** The frontier, in the sense of a broad belt of fertile and accessible free land, with the timber, minerals, water-powers, and other resources going with the land, all open to utilization by citizens on the individualistic basis, passed away with the nineteenth century itself. Its disappearance was unobserved by the masses of the people. Only those who were intent on large-scale exploitation and were organized for it, paid proper heed. And the result was, that every kind of free material wealth still left — timber, coal, copper, fertilizer deposits, range lands — was rapidly

<sup>1</sup> *Past and Present*.

<sup>2</sup> Walt Whitman.

engrossed by private individuals and by corporations.<sup>1</sup> This helped to entrench the possessing classes still more firmly in the advantages they had already gained as creative organizers of business opportunity under conditions of unrivaled fruitfulness. Every natural resource, gained on the old cheap-land terms at or near the time of the disappearance of free lands, was sure to increase in value by something like a geometrical progression.

**Effect on farm-land values.** One effect of the change is found in the statistics of farm-land values. In 1850 the average value per acre of farm-land in the whole country was \$11.33, and at that time 38.5 per cent of the land classified as farm-land — namely, that which was actually within existing farms — was cleared. Since the movement into the great plains had only just begun and most of the farms had been originally timbered, it follows that practically the whole of the value represented labor expended in making improvements, and from that plane values rose only very slowly. By 1890 the average had gone up to \$21.33, but at that time 57.4 per cent was cleared land. During the next ten years — the decade during which the frontier was actually disappearing — so vast a body of new land was taken up in Oklahoma and other newly opened reserves, and in the timbered and semi-arid regions of public-land States, that the percentage of cleared land dropped from 57.4 to 49.4, a difference of 8 per cent. The average value per acre also declined, but not in the same ratio; it stood in 1900 at \$19.30. The figures for the next census period, 1900–1910, deserve serious attention. The farms have now become somewhat smaller, and the percentage of cleared land has

<sup>1</sup> The acquisition by a certain live-stock company of approximately 229,000 acres of grazing land in a single Oregon county is an indication of the way the process of absorbing the left-over lands was carried out. See Schafer, Joseph: *A History of the Pacific Northwest*, chap. xviii. New York, 1917.

risen again to 54.4. *But the average value has jumped from \$19.30 to \$39.50, an increase of more than one hundred per cent.*<sup>1</sup>

This shows that a scarcity value, or a speculative value based on scarcity, is definitely affecting the farm-land problem, which in turn must affect fundamentally such social problems as farm tenancy, unproductive landlordism, and the crowding of population into the towns.<sup>2</sup>

**Other social and economic transformations.** It is hardly necessary to point out that the change just noted is merely symptomatic of a profound revolution in American life, which was preparing for many years, indeed, but which has come to its natural development only since the disappearance of the free-land frontier and largely in consequence of that stupendous fact. The amassing of great wealth was not only not reprehensible, so long as native resources seemed unlimited, but, if the process was an honest one, it was highly creditable as revealing the qualities of enterprise, resourcefulness, and "pluck" so congenial to the pioneer mind. But when the raw materials of wealth came to have definable limits, then the powerful possessing classes became

<sup>1</sup> See statistical table of farm-land values, 1850 to 1910, in Schafer, Joseph, "Historic Ideals in Recent Politics," *An. Rept. Am. Hist. Assn.*, 1916, vol. 1, pp. 459-68.

<sup>2</sup> Two ways have been suggested for making farm-land more easily available for those wishing to make their living by laboring on the land: (1) The Secretary of the Interior, Hon. Franklin K. Lane, has a plan for the reclamation, by national means, of arid lands, swamp-lands, and cut-over timber-lands, of which he estimates 300,000 square miles may be made available. (2) Some of the States, stimulated by the duty of providing opportunities for returning soldiers, are projecting land colonies — the land to be supplied by the State, with improvements making it ready for profitable cultivation. The purchaser is to pay for the land on the amortization plan. This plan has been carried into execution most hopefully by the State of California. There appears to be a widespread demand, in the several States, for the discriminatory taxation of farm-lands held out of use, and there is a less well-defined sentiment in favor of a taxing system that should discourage very large holdings.

dangerous monopolists to be curbed and controlled by democratic means.<sup>1</sup> The duration of the contest for democratic control as against what are called "special interests," corresponds roughly with the period since the passing of the frontier.<sup>2</sup>

The problem of democratic control — Hopeful elements. The fight has been going on ever since in some form or other. It has engendered much bitterness of spirit, which in turn makes adjustments more difficult. The most hopeful development is the new social consciousness that has come into existence partly in consequence of the War and which is rapidly unifying the demand for a sane, *evolutionary*, but *unequivocally liberal*, solution of the economic and social problems of American life.

In this demand men of all classes are uniting together and increasingly the practical statesman and reformer are invoking the aid of those who, through their study of history and the other social sciences, are able to offer suggestions of a relatively scientific character. "Conference and coöperation" are, at last, becoming the watchwords of progress. They signalize a profound faith in the good sense, fairness, and optimistic outlook of the American people. It is a faith that, in the long run, Americans of whatever class, of whatever degree, will be true to the spirit of America — a spirit born of three centuries of unique opportunity for common men, under the ægis of a practical as well as a theoretical democracy.

"Without extinction is liberty! Without retrograde is Equality!  
They live in the feelings of young men, and the best women."<sup>3</sup>

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<sup>1</sup> See Professor Turner's luminous interpretation of recent democratic movements like the initiative, referendum, recall, etc., in his "Social Forces in American History," *Am. Hist. Review*, vol. xvi, pp. 217-33.

<sup>2</sup> The frontier line was first omitted from the census maps in 1890. It was in 1892 that the Populist Party at St. Louis threw down the gauntlet to privilege.

<sup>3</sup> Walt Whitman.

# I

## IDEALS OF DEMOCRACY

**FREDERICK A. CLEVELAND**

*Formerly Chairman of President Taft's Commission  
on Economy and Efficiency*

**W. W. WILLOUGHBY**

*Professor of Political Science in the Johns Hopkins  
University*



## II

# IDEALS OF DEMOCRACY AS INTERPRETED BY PRESIDENT WILSON

FREDERICK A. CLEVELAND

THERE are a few periods and a few men that stand out in history like mountain ranges and peaks rising from a broad plain. Analogy may be carried further. There are periods during which the underlying institutional strata of society are bent and broken. The old order proving too inelastic, class stresses grow until established institutions give way. In circumstances which do not provide means of adaptation to new and changing demands, readjustment comes by social and institutional upheaval. It is at such times as these that great revolutionary leaders like Washington, Gambetta, and Bolivar are pushed up from the masses of mankind who stand as the landmarks of social progress — exalted monuments to the idealism as well as to the militancy of the existing civilization.

The hope of our time is that political institutions may be made elastic — that they may admit of adaptation by process of gradual evolution. The hope and promise of democracy is, that war and revolution is not assumed to be the normal method of social achievement; that they are justifiable only in case society has no other way of freeing itself from a constraining institutionalism which arbitrarily maintains an established order that violates cherished ideals of justice and common well-being, which leaves no recourse other than appeal to violence. When institutions do provide for normal adaptation, there is an ever-present oppor-

tunity for leadership. In these circumstances, the normal working of democracy is to produce great evolutionary leaders like Gladstone, Lloyd George, and Clemenceau.

**Pre-War demands for readjustment.** We are conscious of the fact that the world is passing through a period of great change — the cataclysmic feature of which has been the War. But it may be that when the history of our time is written, the beginning of this War will be passed over as a thing which in itself was quite apart — a related event in this only that it made a violent breach in the incrustations of the existing institutionalism, after which the controlling spirit of the age was revealed and asserted itself with greater freedom.

**Evidences of national protest.** This view has been frequently expressed by those who stop to analyze. As far back as President Cleveland's first election the voice of national protest was heard against the threatened dominance of a privileged class and of institutions inconsistent with the spirit of democracy. The Populist Party was born of discontent with existing conditions. Mr. Bryan's leadership was possible because of his ability to feel the pulse of the people and speak the resentment in the hearts of millions of his fellow citizens. The key to Mr. Roosevelt's success in dealing with hostile partisans and in pressing through legislation against opposition was his direct appeal to the people and their belief that he shared their ideals of democracy. It was the prevailing popular opinion that these ideals were being violated, that institutions had been fostered which stood in the way of equality of opportunity, that collective undertakings were being conducted in a manner to enable a few to grow enormously wealthy while the great masses who toiled to produce wealth were permitted simply to eke out a bare subsistence. It was popular conviction such as this which gave to Mr. Wilson his basis for appeal and made

him, first, Governor of New Jersey, then President of the United States. Great majorities were convinced that "the times are out of joint" and they believed in President Cleveland, Mr. Bryan, President Roosevelt, and President Wilson because they spoke a language of protest and urged reforms which drew to them a great following. History will doubtless assign each of these great leaders a high place in the statesmanship of our transitional age. It would be a grateful task to discuss here the work of all of them, particularly the great work of Mr. Roosevelt. But both space and the theme of this book limit me to the treatment of the career of Mr. Wilson.

**Conditions upon which protest was based.** When President Wilson went before the country in 1912, he bore this message:

We are facing the necessity of fitting a new social organization, as we did once fit the old organization, to the happiness and prosperity of the great body of citizens; for we are conscious that the new order of society has not been made to fit and provide the convenience or prosperity of the average man.<sup>1</sup>

**Enlarging on his message:**

There was a time when America was blithe with self-confidence; she boasted that she and she alone knew the processes of popular government; she sees that there are at work forces which she did not dream of in her hopeful youth. . . . We stand in the presence of a great revolution — not a bloody revolution; America is not given to spilling blood — but a silent revolution. . . . We are upon the eve of a great reconstruction. It calls for creative statesmanship as no other age has done since we set up the government under which we live.<sup>2</sup>

**The testimony of experts.** In the same campaign ex-President Roosevelt not only painted a picture of "social injustice" with characteristic boldness; he went further in his condemnation of our existing institutions and practices

<sup>1</sup> *The New Freedom*, p. 4.

<sup>2</sup> *Ibid.*, p. 28.

in that he essayed to attack the courts themselves as being party to this injustice. Mr. Wilson urged changes in the existing laws, which, as he viewed them, were fundamentally undemocratic in operation; the tariff as the mother of trusts; banking laws and institutions which gave monopolies over credit; incorporated combinations of capital beyond the reach of the law in the exercise of powers and privileges that were withheld from individuals. Mr. Roosevelt contended that the courts as the arbiters of justice had become anti-social and undemocratic in the arbitrariness of the protection given to the existing order of things, by a too slavish regard for precedent and that such an attitude if persisted in would necessitate a revolution of violence. For example, in correspondence with Mr. Charles H. Betts, published as a political document, he said:

My plea is for a rational growth, my plea is that the courts act with ordinary statesmanship, ordinary regard for the Constitution as a living aid to growth, not as a strait-jacket, ordinary regard for the law, the rights of humanity and the growth of civilization. I wish to state with all emphasis that no man who takes the opposite ground . . . has any right to be on the bench; and it is a misfortune to have him there.

Governor Hughes took a like view, but threw emphasis on the methods employed by those who sought to obtain legislation and official action, the result of which was to establish special privilege and make our institutions undemocratic:

There is [he said] a constant effort by special interests to shape or defeat legislation, to seek privileges and to obtain favors in the administrative departments. So close is the relation of government to many large enterprises, particularly to the so-called Public Service Corporations, that there is the strongest motive to control the government in their interests. For this purpose they are willing to supply the sinews of political campaigns and desire in return to name legislators and administrative officers. The political

machine, especially the personal machine, furnishes the most ready instrument to their purpose. The result is the making of corrupt alliances between the party managers and the special interests. . . . In these alliances we have the most dangerous conspiracy against the government of the Nation, the State, and the local community.<sup>1</sup>

No one has stated the need for an institutional change and for reform in methods more strongly than did Senator Elihu Root before the New York Constitutional Convention.

The psychological basis of national and international leadership. Until President Wilson was fifty-four years of age, nine years ago, he had never held a public office or been counted a force even in local politics. His life had been spent largely in retirement as a student, writer, and teacher of Civics. To understand why in 1910 he was able to gain a following large enough to make him Governor of the State of New Jersey; why in 1912 he gained a following large enough to make him President; why it was that when, on April 2, 1917, President Wilson went before Congress and asked it to declare war on Germany and gave as his reason for so doing, that in his opinion such a course was necessary "to make the world safe for democracy" — to understand why it was that he at once became the outstanding man among nations, we must see and feel what was going on in the minds of men everywhere.

Pre-war world opinion. An English writer, accounting for President Wilson's sudden rise to world leadership, pictures pre-war conditions thus:

A new spirit had entered into men; they were reaching out for something better than they had, they were striving to remove the iniquities and injustice of an artificially stimulated social system. This spirit was moving men in all parts of the world, but nowhere perhaps was its force so insistent as in the United States. . . .

<sup>1</sup> *Responsibilities of Citizenship*, p. 104.

Reform was in the air, the social order was changing; the change had almost come. Men were looking for the new vision; in the great democracies of the world, in England, in France, and in the United States, social experimentation was being tried on a vast scale. Woman suffrage, prohibition, old age pensions, state insurance, the curbing of the power of monopolies and the arrogance of wealth, these are symptoms of a mental and spiritual rebirth. It was a time of excessive luxury, of great wealth, of extreme selfishness; in some respects materialism had a deeper hold than ever before in the world's history, and yet even those deepest sunk in their materialism, who defended the existing order and resented change, dimly saw that change was inevitable, vaguely felt that justice cried for reform, but hoped only that it might be postponed so that their comfort would not be disturbed. To the great mass, not alone the down-trodden, and the poor, and the illiterate, the day of their deliverance was near. . . .

To Mr. Wilson democracy was less a political belief than an imminent conviction and he had given proof of his faith. Imbued in the tenets of his political forefathers, seeing their code of moral guidance which was also their rule of statesmanship, reposing confidence in the wisdom of the people to govern themselves, rejecting the thought that they were incapable of self-government and must necessarily be directed by a selected class, his sympathies and his intellect made him support the cause of the people against privilege.<sup>1</sup>

Whatever our inbred prejudices, our political, religious, or social beliefs, here are verities that must be dealt with: An irresistible urge in the hearts of men everywhere for something which goes by the name of "justice," "liberty," and "equality," and a pre-war conviction that existing laws and institutions made for "injustice," "repression," and "inequality"; the longing of the people for a leader — a Moses to lead the people of Israel out of Egypt, some one controlled by ideals of "justice," dedicated to the proposition that "all men were created equal" — a leader, too, with a practical knowledge of what is required to bring about

<sup>1</sup> Low, A. Maurice: *President Wilson*, pp. 3-5.

the institutional adjustments desired without wrecking or destroying the instrumentalities through which the social organism must work.

**President Wilson as interpreter.** Whether we like or dislike President Wilson personally, here is another verity: The people applauded him as prophet, and supported him in his practical proposals for readjustment. That is, they approved his interpretations of democratic ideals and principles as applied to present-day needs. This to us is the significant fact: Mr. Wilson, before the bar of public opinion, qualified for State leadership; then for national leadership; then for international leadership. He qualified for it first by a habit of mind. Every line of his writings and teaching had spoken in terms of ideals of democracy before he entered the field of practical politics, at the mature age of fifty-four. As student, writer, and teacher he had thought and spoken largely on the need and the means of bringing about institutional readjustment. As one of his foreign biographers has pointed out, he had shown himself to be possessed of "a profound faith in democracy, and an indomitable enthusiasm for reform," and he had given his whole life to studying the ways of bringing reform about. Every step in his political career, after he entered public life, had been to the people an evidence that on the fundamental issue of democracy he was keeping the faith.

**The meaning of "equality."** As president of Princeton he had stood for and fought for democratic ideals against "the influence of the money-power" in our educational institutions where citizens are trained; this won for him the popular confidence which made him Governor. As Governor of New Jersey he was at once drawn into a fight with Senator Smith as the leader of the Democratic "party machine," and the organized forces of "Capitalism," and by going directly to the people here he won — preventing

Mr. Smith's election to the United States Senate, putting through against all opposition the "seven sisters" bills, the aim of which was economic equality. This won for him the popular confidence which made him President. As President he met the same forces. Against organized opposition, which before had unmade every President who had had the temerity to face it; without opportunity to participate in the deliberations of Congress, by laying each case before the high court of public opinion, he obtained judgments favorable to the enactment, one after the other, of the most drastic readjustments in our economic system that had yet taken place.

At every step Mr Wilson obtained a vote of confidence, not formally, for our political machinery does not provide for open discussion and a showing of hands on questions involving leadership; but there was no uncertainty in the minds of representatives of the people as they sat in Washington, as to what the popular verdict was; and they had no other course open to them than to read that verdict and make it a matter of record. In all these ways the people had opportunity to approve or disapprove President Wilson's interpretation of the meaning of "justice" as spelled out in terms of "equality of opportunity" when applied to existing conditions.

**The meaning of "liberty."** He also had occasion both to state how in his view liberty was to be conceived, and how it was to be applied. In his preachments, liberty is of two kinds, personal and political. As to the first, liberty of conscience, the right of free speech, free press, freedom to choose, and to act, this needed no enlargement. In respect to the right of self-expression and self-determination of the individual, no issues of great moment arose. His preachments and practical tests were in the field of politics. In this he begins and ends with these fundamentals:



Political liberty is the right of those who are governed to adjust their government to their own needs and interests.

Political liberty consists in the best practicable adjustment between the power of the Government and the privilege of the individual; and the freedom to alter the adjustment is as important as the adjustment itself for the ease and progress of affairs and the contentment of the citizen.

What this means is told to his popular audience in this simple fashion:

There are many analogies by which it is possible to illustrate the idea if it needs illustrations. We say of a boat skimming the water with light foot, "How free she runs," when we mean how perfectly she is adjusted to the force of the wind, how perfectly she obeys the great breath out of the heavens that fills her sails. Throw her head up into the wind and see how she will halt and stagger; how every sheet will shiver and her whole frame be shaken, how instantly she is "in irons" in the expressive phrase of the sea. She is free only when you have let her fall off again and get once more her nice adjustment to the forces she must obey and cannot defy. We speak of the free movement of the piston-rod in the perfectly made engine, and know of course that its freedom is proportioned to its perfect adjustment. The least lack of adjustment will heat it with friction and hold it stiff and unmanageable. There is nothing free in the sense of being unrestrained in a world of innumerable forces, and each force moves at its best when best adjusted to the forces about it. Spiritual things are not wholly comparable with material things and political liberty is a thing of the spirits of men; but we speak of friction in things that affect our spirits, and do not feel that it is altogether a figure of speech. It is not forcing analogies, therefore, to say that that is the freest government in which there is the least friction between the power of the government and the privilege of the individual. The adjustment may vary from generation to generation, but the principle never can. A constitutional government, being an instrumentality for the maintenance of liberty, is an instrumentality for the maintenance of a right adjustment, and must have a machinery of constant adaptation.<sup>1</sup>

<sup>1</sup> *Constitutional Government of the United States*, p. 4-7.

**Application to Mexico.** Its first application to practical affairs after he became president was in dealings with Mexico. His guiding motive is expressed in his address to Congress August, 1913, after a year and a half of annoyances, during which time the people of Mexico in a state of revolution had insulted the American flag, destroyed millions of American and foreign investments as well as many lives of American citizens. In the face of all this and of attacks by men like Mr. Roosevelt who urged action, President Wilson construed the right of self-determination as follows:

What is it our duty to do? Clearly everything that we do must be rooted in patience and done with calm and disinterested deliberation. Impatience on our part would be childish and would be fraught with every risk of wrong and folly. . . . We can afford to exercise the self-restraint of a really great nation which realizes its own strength, and scorns to misuse it.

It is our duty to show what true neutrality will do, to enable the people of Mexico to set their affairs in order again and await the further opportunity to offer our friendly counsels.

What was the practical result of this interpretation and the support given to President Wilson's Mexican policy is best told by ex-President Eliot of Harvard:

To President Wilson's administration the country gives its thorough committal to two policies which concern its righteousness and its dignity. The first of these policies is — no war with Mexico. The second is — no intervention by force of arms to protect on foreign soil American commercial and manufacturing adventurers who of their own free will have invested their money or risked their lives under alien jurisdiction.

America has now turned her back on the sinister policy of Rome and Great Britain of protecting or avenging their wandering citizens by force of arms and has set up quite a different policy of her own.<sup>1</sup>

<sup>1</sup> *Atlantic Monthly*, October, 1916.

**Liberty and the World War.** Then came the Great War. Here again the doctrine of political freedom and equality — the right of self-determination — stood out clearly, as it had been interpreted by Washington and Jefferson, warning the people of the dangers of “entangling alliances,” in the “Monroe Doctrine,” in the utterances of President Cleveland which threatened to precipitate war with Great Britain over the Venezuela question, in the attitude taken by America with respect to Cuba. All these *obiter dicta* of the great high court of public opinion, passing judgment in cases of moment in the past, were before the President; and, unless there were new conditions requiring reversal, they all meant that America should remain neutral. Not only did they mean this to Mr. Wilson, but for a time the principle was so applied by Mr. Roosevelt, and other men of prophetic vision. The difference was that Mr. Wilson continued to interpret the events of the War as calling for neutrality long after Mr. Roosevelt and his partisans urged war. And the people in the election of 1916 gave to the President a vote of confidence as their leader.

Here again his interpretation was approved. As in the case of Mexico, he did not allow the German campaign of “frightfulness” to cloud his vision. Demands were made for the use of the armed forces of the United States to resist attacks on American shipping; appeals came to him from the Allied nations for aid. The spiritual workings of public opinion, which resented cruelty and injustice in every form and wherever it might express itself, were manifest. But all these things did not distract his mind nor cause him to forget that war is an easy thing to get into and a hard thing to get out of, and nothing would justify it except a conviction that it was a just cause. It did not blind him to the injustice which was the cause of unrest — the institutional ill-adjustments that were present before the War began, nor

cause him to lose sight of the fact that demands for readjustment would again be renewed and that they would have to be reckoned with after the War.

The justice of the Allied cause was not the only thing which moved him. It was also the conviction, finally arrived at, that German success would give permanence to a paternalism premised on inequality and subservience. And having reached this conclusion, he had the vision to see that the same appeal which he had made when he went before the electors of New Jersey and later when he was a candidate for President, if made in an emergency such as this, would mobilize the manhood not alone of America, but of the world, align all the forces and control all of the world opinion favorable to democracy first against Prussianism and then against special privilege and organized selfishness in every form — that the War furnished the occasion and the opportunity for impressing democracy on the ill-adjusted institutions of the world.

The ideals of democracy applied to world politics. When President Wilson went before Congress April 2, 1917, he was in a position to ask that all of the human and material resources of the country be thrown into a world war for "liberty" and "justice." His appeal was the more striking and convincing because he had withheld his sanction for war nearly three years after Belgium had been overrun, while other nations were grappling in a fight to preserve the old balance of power — until such a time as America became conscious that it was not a matter of "entangling alliances," but a matter of "her own principles and duty."

During the three years from 1914 to 1917, hundreds of American lives were ruthlessly taken on the high seas in violation not alone of international law but of specific agreements. Hired agents of the Imperial German Government had been employed to stir up sedition and violence in our

midst. Other governments had been besought to make war on us. Still the President urged neutrality. It was not until in his opinion the whole people were ready to accept the conclusion that we owed it to ourselves as well as to mankind to go into the struggle that Congress was asked to declare war.

All through the period from 1914 to 1917, President Wilson took the part not of commander-in-chief of a nation in arms, but of high priest. He preached "justice"; he preached "liberty"; he preached "humanity." He refused to be moved by the gibes of hostile opposition or the solicitations and criticisms that came to him from nations in arms. Throughout these years of trial he was moved only by the profound determination that nothing less than a great cause, and that the cause of democracy, should lead this nation into war. Explaining his action or inaction, as it was called, to the Daughters of the American Revolution, he said:

We are interested in the United States, politically speaking, in nothing but human liberty. . . . I ask you to rally to the cause which is dearer in my estimation than any other cause. . . . We should ultimately wish to be justified by our own conscience and by the standards of our own national lives.

At Arlington Cemetery, May 31, he said to the Veterans of the American Civil War:

Let us go away from this place renewed in our devotion to daily duty and to those ideals that keep a nation young, keep it noble, keep it rich in enterprise and achievement; make it to lead the world in those things that make for hope and the benefit of mankind.

On Flag Day, in June, he elaborated this theme:

We are trustees for what I venture to say is the greatest heritage that any nation ever had, the love of justice and righteousness and human liberty.

On September 28 of that year, to the Grand Army of the Republic, he expressed the hope that

we shall never forget that we created this nation not to serve ourselves but to serve mankind.

In October, in his Thanksgiving Proclamation, he voices the same thought:

America has a great cause which is not confined to the American continent; it is the cause of humanity itself.

Throughout 1916 and the campaign for reelection, in the face of foreign criticism and partisan impeachment, with the public prints full of distortions of detached statements, such as "too proud to fight," he carried forward the preaching of America's duty to stand for principles of permanent peace as found in concepts of justice and liberty. It was not till after the election had been won, in fact a month after his second inaugural, that President Wilson became convinced, through the act of the Imperial German Government in renewing its campaign of "frightfulness" on the high seas without regard for recognized international rights or newly made promises, that the national policy of "neutrality was no longer possible or desirable." It was not until then that he was convinced that

the peace of the world is involved and the freedom of its people and the menace to that peace and freedom lies in the existence of autocratic governments backed by organized force which is controlled wholly by their will and not by the will of the people.

Therefore, his message to Congress asking that steps be taken to throw the full weight of the resources of the American people into the fight for liberty, to do their full duty in the struggle, the purpose of which would be to set up

among the really free and self-governed people of the world such a concert of purpose and of action as will henceforth guarantee the observance of those principles which make for peace and justice — enforce on rulers the same standards of conduct and responsibility for wrong done . . . as are observed among the individuals of civilized states.

Liberty, the right of self-determination and self-expression, interpreted according to standards of right and wrong established and vouchsafed by a "partnership of democratic nations . . . a league of honor, a partnership of opinion" was the reason given for accepting the "gage of battle with this natural foe of liberty."

We are glad now that we see the facts with no veil of false pretense about them, to fight thus for the ultimate peace of the world and for the liberation of its peoples, the German peoples included: for the rights of nations, great and small, and the privilege of men everywhere to choose their way of life and of obedience. . . . We have no selfish ends to serve. We desire no conquest, no dominion; we seek no indemnities for ourselves, no material compensation for the sacrifices we shall freely make.

The spirit of democracy that was manifest at the time that the Nation was asked to go into the War is perhaps best exemplified in the concluding paragraphs of the message:

It is a distressing and oppressive duty, Gentlemen of the Congress, which I have performed in thus addressing you. There are, it may be, many months of fiery trial and sacrifice ahead of us. It is a fearful thing to lead this great peaceful people into war, into the most terrible and disastrous of all wars, civilization itself seeming to be in the balance. But the right is more precious than peace, and we shall fight for the things which we have always carried nearest to our hearts — for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free.

To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have, with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured. God helping her, she can do no other.

And his interpretation of democracy, his application of

principles to the questions at issue at the time that war was declared, have been fully approved, not alone by American public opinion, but no less by the common people everywhere. In the midst of the clamor and confusion of international conflict, when the forces of Prussian militarism were in their ascendancy, President Wilson's voice rang out like the voice of Sheridan as he rode into the confusion of retreat at Winchester. From that day forward every flag which went before the Allies into battle was a symbol of Liberty. Millions of men came forward with the zeal of crusaders. It was his interpretation and his appeal which made possible the coming together of independent political leaders; made possible the organization of an international cabinet; and put all of the Allied armies under the military leadership of General Foch. It was this that supplied the spiritual unity upon which rested central executive direction and control—in the absence of which German generals had gained their victories.

The best evidence which we have of the grip the passion for liberty and democracy has on the world is found in the prompt recognition accorded to President Wilson as international leader. Mr. Wells, England's leading apostle of democracy, in those much-read essays published under the title "In the Fourth Year," spoke not alone his own mind nor yet the minds of an inconsequential group of extremists, when he said, "Among the other politicians and statesmen of the world, President Wilson towers up with an effect almost divine."

**The judgment of mankind.** One cannot read the history of the period leading up to America's declaration of war without being profoundly impressed by the high regard which President Wilson had for the common opinions of men as to what is right and just when a cause is fairly presented. He viewed his responsibilities as of one who is looked



to and trusted as a leader — made difficult to discharge because in our country, we had no procedure developed for having issues defined and discussed before the country is committed to a policy which gravely affects the welfare of all. "The closed doors of the White House" may not be explained on any theory of indifference. When President Wilson entered upon his high office, it was with this declaration:

We know our task to be no mere task of politics, but a task which shall search us through and through, whether we are able to understand our time and the need of our people, whether we be indeed their spokesmen and interpreters, whether we have the pure heart to comprehend and the rectified will to choose our high course of action. This is not a day of triumph; it is a day of dedication. Here muster not the forces of party, but the forces of humanity. Men's hearts wait upon us; men's lives hang in the balance; men's hopes call upon us to say what we will do. . . . I summon all honest men, all patriotic, all forward-looking men everywhere to my side. God helping me I will not fail them, if they will but counsel and sustain me.

Much has been said about President Wilson's habit of seclusion. One of his commentators gives us this view: He knows that most men reach conclusions on superficial judgment and without giving due weight to the facts; therefore, his appeal on all important issues to the country at large; therefore, his policy of watchful waiting. Or as Mr. Low puts it, the standard for judgment which he has set up for himself is the standard set up by Cicero:

What would history be saying of me six hundred years hence? And that is a thing I fear much more than the petty gossip of those who are alive to-day.

It is because he is willing to play for the verdict of history that Mr. Wilson thinks, in the words of his own speeches, "it is service that dignifies, and service only"; that the kings of men are those who have won their elevation to the throne "by thinking for their fellow men in terms of humanity and unselfishness."

That President Wilson understood fully his responsibility as leader and the importance of having his advice to Congress premised of rightness of judgment appears not alone in the events of the years leading up to his address of April 2, 1917, but in every subsequent act and appeal. His statement before the Peace Congress at Paris has this vision:

We stand in a peculiar cause. As I go about the street here, I see everywhere the American uniform. Those men who came into the war after we had uttered our purpose, they came as crusaders, not merely to win a war but to win a cause, and I am responsible for them, for it all fell on me to formulate the purpose for which I asked them to fight. And I, like them, must be a crusader.

Such a fulsome appraisal as is given by Mr. Wells we were not inclined to accept. For here, at every turn, we are enjoined by partisan opponents to "beware"; at the clubs, among groups of men wherever they congregate, we have brought to our ears mutterings of distrust, which commonly go with partisanship. These early encomiums, therefore, were not so seriously taken among President Wilson's own people, and they might have been dismissed altogether as the emotional outburst of extremists were it not for the fact that the events of the two years which followed, each month more firmly convinced the world that Mr. Wells's view of the outstanding quality of his leadership was justified. Not alone did President Wilson's interpretation come to be accepted and his position as the spokesman for world democracy come to be recognized by "the masses"; confirmation is given by the most critical and thoughtful of men. Sober-minded judgment is expressed in public forums; in the editorial and periodical press as well as in the confiding faith of not less than a thousand million of the "common people," including the people of Germany and Austria as well as those of France, Italy, England, and other countries who placed themselves in alliance against the Central Powers.

In all this, we are not interested in President Wilson as an individual. The pages of history as they are written around him, if true, must regard him as the product, not the author, of democracy. Nor would his interpretation of the ideals of democracy interest us except for the fact that by consent they have become the ideals of the world. He is acting only as spokesman and leader. The significant fact is that when nations applaud they show enthusiasm for a cause. When official bodies pass laws and ordinances, renaming mountain peaks, or erect statues and tablets, these are the expressions of a grateful humanity under stress and suffering for the success of a cause. When observers ascribe to President Wilson "power to dissolve foreign ministries and overturn governments," or partisans refer to him as "the greatest autocrat the world has ever known," they are not speaking of President Wilson. They are speaking of the power of public opinion — and of the essential value of leadership as a means of giving expression to that opinion.

The acceptance accorded to the views of President Wilson, interpretive of the ideals of democracy in practical application to the problems of readjustment which were before us before the War and by the upsetting circumstances of the War itself, suggest that the following excerpt from his writings on subjects of immediate concern as well as the practical outworking of institutions in response to democratic impulse as described in the pages which follow, may be of value as standards for judgment.

**Democracy to be realized must work through institutions adapted to its purposes.** President Wilson gives little time to telling what democracy is, and to discussing ideals, simply as moral or social philosophy. His whole interest is in the practical means designed for its outworkings. "It is easy," says he, "to speak of right and justice; it is something different to work them out in practice. Justice, liberty and

equality are to be realized only through institutional means. This conviction eliminates all these 'isms' which assume contrary premises."

**Government as an organ of society.** Society is the organism, government the organ.

This, then, is the sum of the whole matter: the end of government is the facilitation of the objects of society, the rule of governmental action is necessary coöperation.<sup>1</sup>

Government, as I have said, is the organ of society, its only potent and universal instrument: its objects must be the objects of society. What, then, are the objects of society? What is society? It is an organic association of individuals for mutual aid. Mutual aid to what? To self-development. The hope of society lies in an infinite individual variety, in the freest possible play of individual forces: only in that can it find that wealth of resource which constitutes civilization, with all its appliances for satisfying human wants and mitigating human sufferings, all its incitements to thought and spurs to action. It should be the end of government *to assist in accomplishing the objects of organized society.*<sup>2</sup>

**Limits of State action.** Self-development means exercise; individual activity; the fullest range and opportunity for the development of individual abilities. This is to the interest of society as well as the individual. Therefore the governmental institution must not impair, but promote initiative.

That there are natural and imperative limits to state action no one who seriously studies the structure of society can doubt. The limit of state functions is the limit of *necessary coöperation* on the part of society as a whole, the limit beyond which such combination ceases to be imperative for the public good. . . . Coöperation is necessary in the sense here intended when it is indispensable to the equalization of conditions of endeavor, indispensable to the maintenance of uniform rules of individual rights and relationships, indispensable because to omit it would inevitably be to hamper or degrade some for the advancement of others in the scale of wealth and social standing.

There are relations in which men invariably have need of each

<sup>1</sup> *The State*, 1536.

<sup>2</sup> *Ibid.*, 1522.

other, in which universal coöperation is the indispensable condition of even tolerable existence. Only some universal authority can make opportunities equal as between man and man. . . .<sup>1</sup>

The point at which public combination ceases to be imperative is not susceptible of clear indication in general terms; but is not on that account indistinct.<sup>2</sup>

**Change through conservative adaptation.** Whatever may be the attitude of the individual with respect to the *status quo*, whether in the attitude of protest or of defense, this fact is to be carried in mind, that institutional change if it is to be achieved by peaceful means must come about slowly. "The method of political development is conservative adaptation, shaping old habits to accomplish new ends."<sup>3</sup>

Whatever view be taken in each particular case of the rightfulness or advisability of State regulation and control, one rule there is which may not be departed from under any circumstances, and that is the rule of historic continuity. In politics nothing radically novel may safely be attempted. No result of value can ever be reached in politics except through slow and gradual development, the careful adaptations and nice modifications of growth. Nothing may be done by leaps. More than that, each people, each nation, must live upon the lines of its own experience. Nations are no more capable of borrowing experience than individuals are. The histories of other peoples may furnish us with light, but they cannot furnish us with conditions of action. Every nation must constantly keep in touch with its past; it cannot run toward its ends around sharp corners.<sup>4</sup>

The most absolute monarchs have had to learn the moods, observe the traditions, and respect the prejudices of their subjects; the most ardent reformers have had to learn that too far to outrun the more sluggish masses was to render themselves powerless. Revolution has always been followed by reaction, by a return to even less than normal speed of political movement. Political growth refuses to be forced; and institutions have grown with the slow growth of social relationships; have changed in response, not to new theories, but to new circumstances.<sup>5</sup>

<sup>1</sup> *The State*, 1529.

<sup>2</sup> *Ibid.*, 1531.

<sup>3</sup> *Ibid.*, 1536.

<sup>4</sup> *Ibid.*, 1535.

<sup>5</sup> *Ibid.*, 1532.

**Socialism and laissez faire.** On the one hand there are extremists who cry out constantly to governments, "Hands off," "Laissez faire," "Laissez passer," who look upon every act of government which is not merely an act of policy with jealousy; who regard government as necessary, but as a necessary evil; and who would have government hold back from everything which could by any possibility be accomplished by individual initiative and endeavor. On the other hand, there are those who, with equal extremeness of view in the opposite direction, would have society lean fondly upon government for guidance and assistance in every affair of life. . . . Between these two extremes, again, there are all grades, all shades and colors, all degrees of enmity or of partiality to state action.<sup>1</sup>

**Stateism.** — The development of new organs of public service. It by no means follows . . . that because the State may unwisely interfere in the life of the individual, it must be pronounced in itself and by nature a necessary evil. It is no more an evil than society itself. It is the organic body of society; without it society could be hardly more than a mere abstraction. If the name had not been restricted to a single, narrow, extreme, and radically mistaken class of thinkers, we ought all to regard ourselves and to act as *socialists*, believers in the wholesomeness and beneficence of the body politic. If the history of society proves anything, it proves the absolute naturalness of government, its rootage in the nature of man, its origin in kinship, and its identification with all that makes man superior to the brute creation. Individually man is but poorly equipped to dominate other animals; his lordship comes by combination, his strength is concerted strength, his sovereignty is the sovereignty of union. . . .

Every means, therefore, by which society may be perfected through the instrumentality of government, every means by which individual rights can be fitly adjusted and harmonized with public duties, by which individual self-development may be made at once to serve and to supplement social development, ought certainly to be diligently sought, and, when found, sedulously fostered by every friend of society. Such is the socialism to which every true lover of his kind ought to adhere with the full grip of every noble affection that is in him.

It is possible, indeed, to understand, and even in a measure to

sympathize with the enthusiasm of these special classes of agitators whom we have dubbed with the too great name "Socialists." The schemes of social reform and regeneration which they support with so much ardor, however mistaken they may be — and surely most of them are mistaken enough to provoke the laughter of children — have the right end in view; they seek to bring the individual and his special interests, personal to himself, into complete harmony with society with its general interests common to all. Their methods are always some sort of coöperation, meant to perfect mutual helpfulness. They speak, too, a revolt from selfish misguided individualism; and certainly modern individualism has much about it that is hateful, too hateful to last. The modern industrial organization has so distorted competition as sometimes to put it into the power of some to tyrannize over many, as to enable the rich and the strong to combine against the poor and the weak. It has given a woeful material meaning to that spiritual law that "to him that hath shall be given, and from him that hath not shall be taken away even the little that he seemeth to have." It has magnified that self-interest which is grasping selfishness and has thrust out love and compassion, not only, but free competition in part as well. . . .

And there is a middle ground. The schemes which Socialists have proposed society cannot accept and live; no scheme which involves the complete control of the individual by government can be devised which differs from theirs very much for the better. A truer doctrine must be found, which gives wide freedom to the individual for his self-development and yet guards that freedom against the competition that kills, and reduces the antagonism between self-development and social development to a minimum. And such a doctrine can be formulated surely, without too great vagueness.<sup>1</sup>

<sup>1</sup> *The State*, 1519-21.

### III

## THE UNDERLYING CONCEPTS OF DEMOCRACY

W. W. WILLOUGHBY

THE term "democracy" has a social as well as a political connotation — a fact that, in the years immediately to come, is very likely to be impressed upon the minds of all those who concern themselves with matters of public interest. It is, however, especially with its political implications that democracy will be discussed in this chapter.

**The general welfare.** The fundamental nature and ethical justification of a human institution are determined rather by the ends which it seeks to realize than by its outward form of organization or by the administrative methods employed for its operation. Certainly this is true of States or their governments if all divine or other mystical conceptions regarding them are put away, and they are viewed simply as humanly created and operated agencies for satisfying certain recognized needs of men. Thus regarded, a government is good or bad, irrespective of its form, according to the ends which it seeks to attain; it is efficient or not according to the methods it employs in seeking to attain them.

Democracy starts with the premise that the sole end for which political rule may be justly established and maintained is the welfare of all the people over whom its authority extends. This proposition carries with it the denial that there are any individuals or classes of individuals who, by heredity or any other inherent attribute, may claim special rights to rulership or to the exercise of the suffrage or other privileges of so-called active citizenship.

As thus viewed solely in its "final" or purposive aspect,



democracy is not wedded to any particular form of political machinery, for it is clearly possible that a monarchically organized government — even one of the autocratic or absolutist type — may be so administered as to seek with single purpose the welfare of the governed.

However this may be, as a matter of theoretical possibility, as a practical proposition, all persons except those who ascribe a mystical and superhuman character to the State or recognize a divine right of rulership inhering in certain individuals or certain families, are now agreed that no sufficient security is offered that the welfare of the whole people will be consistently, disinterestedly, and intelligently sought unless the rulers derive their right to rule from the freely expressed will of the governed and can maintain themselves in office only so long as they are supported by such popular approval.

**Consent of the governed.** Thus we reach the second postulate of democracy, that, as stated in the American Declaration of Independence, governments derive “their just powers from the consent of the governed.”

This statement, thus incorporated as a premise in American political philosophy, is quite generally regarded as an absolute ethical principle. In fact, however, it is not, and the attempt so to view it at once leads to logical difficulties when the suffrage or other rights of active citizenship are denied, as, in practice, they must be, to certain classes of persons — to minors, for example — or even to whole communities, as, for example, certain of the tribes of the Philippine Islands. In other words, the doctrine of the “consent of the governed” can properly be regarded as an absolute ethical principle only to the extent of holding that no purely arbitrary political disqualifications, no disqualifications not defensible upon enlightened utilitarian grounds, shall be imposed upon citizens or groups of individuals.

To some it may seem unfortunate that the absolute right of individuals to participate actively in their own government should be thus surrendered. In fact, however, by making this concession we are able to furnish grounds for the maintenance of popular political institutions which appeal more directly to the reason of men than if we have to support them upon abstract propositions which, though asserted as absolute and therefore general in application, we are in practice, as a matter of imperative expediency, compelled to disregard.

**Popular government.** The term "popular government" does not describe a particular form of government, but one, whatever its structure, that exhibits a certain quality — that those who hold the reins of political power are constrained to direct their course according to the will of those whom they govern. Thus governments, without regard to their outward forms of organization, vary among themselves according to the extent to which those in authority are amenable to the control of public opinion, and the same government, without constitutional change, may, in practice, deserve, in differing degree, the right to be described as popular in character.

It is not practicable, even if it would be appropriate, to do more in this chapter than to indicate the grounds upon which popular government is to be preferred to autocratic political control. As revealed by experience as well as by fair deduction from what may be expected from the average of human intelligence and disposition, it appears certain to the supporters of popular government that when the general wishes of the governed are allowed to control public policies, there is offered the best possible guarantee that the true interests of the governed will be made known and be sought by those in authority. It is, however, seldom if ever claimed that a popularly controlled government may be

expected to provide a more efficient, or, indeed, as efficient, an execution of public policies as can be, or ordinarily is, furnished by more autocratically controlled systems. These further and incidental advantages are, however, claimed for popular government: that the giving to the people a control of their own political affairs increases their patriotism, stimulates their imagination, quickens their interest in matters of general concern, trains them in the exercise of self-restraint and devotion to other than purely selfish interests, and thus exerts an educative influence which in time will produce an administration of public affairs not only more intelligent as regards the policies that are adopted, but more efficient as regards their execution than, at its best, an autocratic government can be expected to supply. Even before this consummation is reached, a popular government is therefore to be preferred to an autocratic one because of its idealism and the intellectually and ethically stimulating influence which its maintenance exerts.

Agencies for the formulation and utterance of a popular will. It is clear from what has been already said that a popular government is feasible only if, and to the extent to which, the governed are able to form and give authentic expression to a general or collective will with regard to matters of public interest and therefore with regard to the policies which their government is to adopt as its own. If the will thus formulated and expressed is to be an intelligent one, means must be provided whereby the people generally may obtain a knowledge of the necessary political facts and a training of their political judgment so that they may draw from them the proper conclusions.

The creation of an intelligent public opinion is a matter of great difficulty. For bringing it into existence the schools and colleges, the press, the scientific associations, the churches, and all kinds of political party organizations must

coöperate. And in this connection it is to be noted that, in order that popular government may yield satisfactory results, it is necessary that a public opinion should be an ethically enlightened as well as an academically intelligent one. The experience of nearly all countries has demonstrated that, unhappily, scholastic or technical education has not inherent in it the quality of creating good citizenship; that popularly controlled governments are nearly, if not quite, as subject to the demoralizing influences of corrupt and self-seeking action upon the part of those in authority as are the more autocratic forms of rule. Political morality, as well as intellectual enlightenment, must therefore be promoted if popular government is to be a success. So much for formulation of an educated and well-disposed public will.

In order that this will may find authentic expression it is necessary that freedom of speech, of writing, and of publishing shall exist; that voluntary associations may be freely formed and allowed to express the corporate or collective will of their members; that at sufficiently frequent intervals the people be permitted at the polls freely to select representatives to speak for them, and that, when feasible, the people be given the opportunity to pass direct judgment not simply upon the policies of particular political parties, but upon specific public policies.

**Constitutional government.** Closely allied to the problem of securing government that is obedient to the general will of the governed is the establishment of definite principles of constitutional law the purpose of which is to provide that those in public authority shall exercise their official powers within the limits and according to methods previously determined.

Any government that thus operates according to established law is a constitutional one even though these limitations upon the State's functionaries, including the executive

head or monarch, are, in whole or in part, set by that ruler and subject to amendment or abrogation by him. Where, however, as in the United States, the exercise of all political power is conceived to rest upon the consent of the governed, the correlative constitutional principle is adopted that the fountain and source of all legal authority is in the people themselves, or at least in those persons to whom the active rights of citizenship have been given. This means that no public official, high or low, can rightfully exercise any authority save that which has been given to him by a law sanctioned by the people, either directly in constitutional grant, or in enactments of their chosen representatives. The United States Supreme Court has stated this principle of American public law in these words: "No man in this country is so high that he is above the law. All the officers of the Government, from the highest to the lowest, are creatures of that law and are bound to obey it."

One of the oldest of our State Constitutions, that of Massachusetts of 1780, states this doctrine as follows: "All power residing originally in the people, and being derived from them, the several magistrates and officers of government are their substitutes and agents, and are at all times accountable to them." In the famous Bill of Rights prefixed to the Constitution of Virginia, adopted in 1776, the doctrine receives still more terse statement in the words: "That all power is vested in and consequently derived from the people; that magistrates are thus trustees and servants, and at all times amenable to them." And as the Federal Constitution in its first sentence declares: "We the People of the United States . . . do ordain and establish this Constitution."

**Political and legal responsibility of public officials.** From what has already been said it appears that the problem of maintaining a government under which there is a reasonable guarantee that the policies pursued will be such as are ap-

proved by the governed, it is necessary that those who are in public authority shall be subject to both political and legal control. This political control is of course exercised by the people at the polls, through the pressure of public opinion, and, in extreme cases, by removal from office as a result of impeachment proceedings or, in some jurisdictions, by what is known as the "recall." The legal responsibility of public officials is made effective by judicial proceedings, criminal as well as civil, whereby *ultra-vires* acts are held void and their execution stopped, or, if executed, criminal and civil damage imposed upon those officials responsible for them.

**Written constitutions.** Besides being a government *for* the people, and, directly or indirectly, a government *by* the people, a further fundamental principle of American political life is that the forms and powers of government are found in written instruments of government. These fundamental documents are framed and put into force only by methods calculated to obtain the people's consent to them in a more solemn manner than is the case with ordinary laws. They may not be altered except by consent of the people, given according to the special procedures which they themselves prescribe.

Inasmuch as these written constitutions furnish the legal source and fix the legal limits of governmental powers, legislative as well as judicial and executive, it is usual to speak of them as furnishing a higher and more fundamental law than the ordinary legislative body is able to provide. In other words, an act of the legislature, if contrary to, or not supported by, a provision of the Constitution, is held void by the courts, and its enforcement refused.

This fundamental principle of American constitutional law has received uniform application since it was first stated in 1803 by the great Chief Justice John Marshall. "Cer-

tainly," he said, "all those who have framed written constitutions contemplate them as forming the fundamental and paramount law of the nation, and consequently, the theory of every such government must be that an act of the legislature repugnant to the Constitution is void."

In striking contrast to this doctrine is the principle applied in nearly all the other States of the world, that written constitutional provisions, though clothed with a special moral force, are not efficient to overcome contrary or inconsistent declarations of the legislative body.

**Reserved rights of individuals.** Closely allied to the constitutional principle discussed in the preceding section is the doctrine, emphasized in American law, that the legal powers of government expressed in the Constitution should not be permitted to extend to all matters of possible public control, but that *from* their operation certain private rights of the individual with reference to his life, liberty, and the possession and use of his property are excepted. In the enjoyment of these rights he is entitled to protection by the Government, not only against possible infringement by other individuals, but against undue infringement by the Government itself.

These reserved rights are thus secured to the individual, not only by the rule enforced by the courts that no organ of Government may exercise a power not granted to it by the Constitution under which it operates, but by the fact that these rights are specifically enumerated in the Constitution and expressly withdrawn from governmental control. It is true that the people themselves, if they see fit, may amend their written constitutions so as to bring certain or all of these rights within the control of laws which the legislature may enact, but until they do so, these rights are guaranteed against governmental abridgment or abrogation.

Our fundamental law provides that the individual shall

not be deprived of life, liberty, or property, no matter how proper the procedure followed, if the law authorizing it is not founded in equity and good conscience, or is not in conformity with those principles of reason and justice which, through hundreds of years of judicial selection, have become embodied in what is known as the Common Law, and which furnishes the basis for the private law which American courts apply.

That these principles of justice as they are enumerated in our National and State Constitutions are deemed to be inherently just, is shown by the fact that though constitutionally not obliged to do so, the American Government has extended their application to the peoples of the dependencies of Porto Rico and the Philippine Islands.

**Legal equality.** A further fundamental principle of our American political life is the equality of all individuals before the law. This means that no arbitrary distinctions are drawn between individuals or classes of individuals. All are equally entitled to those rights which the law recognizes, and are held equally responsible for the acts which they commit. This, of course, does not mean that laws are not enacted which apply to particular classes of persons; but the classifications thus created must, under American constitutional law, be based upon actual facts which render them reasonable.

Thus, under American law there are no special laws or judicial tribunals whose jurisdictions are based upon distinctions of birth, or race, or color, or wealth, or occupation, or education, or any other arbitrarily created status.

This fundamental American doctrine of equality before the law is one which rests upon a conception of the inherent moral worth and dignity of the individual. It also implies an essential equality in moral status of all the members of the human race.



**Democracy.** By the foregoing logical steps we are finally in a position to define the term "democracy" and place it in its due relation to popular and constitutional government. The terms "democracy" and "popular government" are often loosely used as synonymous. They need, however, to be distinguished. As has been already pointed out, a government is "popular" to the extent that its operations are controlled by the general will of the governed, and that in order that this quality may be exhibited it is not necessary that a government should be of any given type of organization: thus, in outward form it may be a monarchy as in Great Britain, or a republic as in France or Switzerland or the United States. A democratic government, or, to use the shorter term, a democracy, is, however, a special type of government, although here, too, the democratic element may be exhibited in varying degrees, although, as will presently appear, it must be present to a certain extent before the government can properly be described as democratic in character.

The term "popular," when applied to government, has reference to the will which controls its operations. The term "democratic," when similarly applied, has reference to the chief means by which assurance is obtained that a government will be guided by the popular will, namely, by admitting the people, or at least a considerable number of them, to a direct participation in the operation of their own government. To just what extent it is practicable to democratize a government depends upon the intellectual enlightenment and moral disposition of the governed, and by the technical difficulties involved in the performance of the tasks which the Government undertakes to perform. These difficulties relate not only to the determination of the policies which are to be adopted, but to the administrative problem of securing their efficient execution. And it does

not need to be said that in both these respects the difficulties tend to increase with the increase in territorial size and population of a State and with the assumption by the Government of administrative duties which involve special knowledge and technical training upon the part of those who are to determine and execute the policies concerning them.

It is possible to meet in large measure the difficulties raised by size of territory and population by adopting a system under which large discretionary powers and autonomous administrative authority are given to local self-governing bodies, as, for example, are given in the United States to the States of the Union and by them to their local subdivisions; or by establishing a highly integrated administrative system, as in France, in which the directing authority is centralized and effectively exerted, but the actual execution of much of the work of the Government is placed in the hands of local officials.

**Democracy and the activities of government.** The acceptance of the democratic theory of government carries with it no conclusion as to the specific matters that shall be brought under public control. It does carry with it, however, the proposition that no hard-and-fast arbitrary line can be drawn between those functions the performance of which the Government may legitimately undertake and those which it may not. The fundamental democratic principle being adopted that governments exist for the welfare of the governed, it results that expediency alone should dictate whether a given enterprise should be undertaken by the Government. The decision should turn upon the point whether, as a practical administrative problem, the Government is or may be so organized that it can perform the task in a manner better than that in which it will be performed if left to private initiative and control.

**Distinction between policy-forming and policy-executing**

functions of government. It is possible to overcome in considerable measure the difficulties involved in the performance by the Government of tasks involving technical knowledge and training by carefully distinguishing between what Dr. Goodnow, in his volume entitled *Politics and Administration*, terms the policy-forming and the policy-executing functions of the Government, and vesting these latter in the hands of a body of officials, properly recruited, properly supervised, with assured salaries and permanency of tenure, and thus removed from the disturbing influence of partisan politics.

The establishment of such a civil service — call it a bureaucracy if one will — is not opposed to the principles of either popular or democratic government, for the essential element in a government by the people is that the popular will shall be controlling upon the will of the Government — a will that finds expression in the policies that are adopted and not in the details of the manner in which they are executed.

Democratic government means, then, that the people directly, or indirectly, through their freely chosen representatives shall determine the public policies that are to be pursued. This means, first of all, that they shall have the opportunity either to issue direct mandates or to select representatives to speak for them. These representatives, thus popularly appointed, should include not only the members of what is known as the legislative chambers, but all those executive functionaries to whom are granted such wide ordinance-making or other discretionary powers that they are able, to an appreciable extent, to influence the policies of the Government. Democratic government does not include, as of necessity, that the electorate should select the great body of administrative officials who have no other duty than to execute the public policies which the

true policy-forming authorities decide upon; nor does it include the right, or rather privilege, of selecting or otherwise controlling judicial officials whose function, by its very nature, is limited to the interpretation and application of existing laws without regard to the wisdom of the policies embodied in them.

**Separation of powers.** In all constitutional States it has been found expedient to distinguish between the enactment of laws, their execution, and their interpretation and application when dispute arises as to their meaning and application to specific conditions of fact, and, to a very considerable extent at least, to place the performance of these functions in different organs of government. Their absolute separation is, however, neither possible nor desirable. Certainly this is true as regards executive and legislative functions, and to the extent to which this separation is effected, it is necessary that constitutional means be provided, or practices be developed, which will make possible an intimate and cordial coöperation between the organs which exercise these two functions.

Space does not permit an elaboration of this point, but it may be pointed out that the central factor of efficiency in the British parliamentary system is the successful way in which this coöperation has been achieved, and that in the United States, the system of separation of powers would have proved unworkable had not political party organizations and activities been able to bring about at least a certain amount of harmony and coöperation between these two branches of government which both in the States and in the Federal Government the constitutional fathers sought to keep almost wholly independent.

**Representative government.** In the smallest of democratic States it is necessary that the actual exercise of executive powers should be placed in the hands of a small number

of people. In all but the very smallest it is also necessary that the people should abandon the attempt to exercise law-making powers in a direct or immediate manner. Instead it has been necessary to vest the electoral power in the hands of persons possessing certain qualifications of age, sex, education, or property, who are granted the power to elect a comparatively few persons who, sitting together as a legislature, are presumed to represent not simply the persons who have elected them, but the whole body of citizens viewed as a single unit.

That there is, in practice, a fictitious element in this assumption there can be no doubt, for it will be observed, in the first place, that in almost all cases a majority vote is taken as the act of the whole; in the second place, that the members themselves are elected by majority votes and as the nominees of the political parties into which the electorate is divided; and, in the third place, that the electorate in no case includes more than a fraction of the entire citizen body. Even where manhood suffrage exists, it includes hardly more than twenty per cent, and in most cases a considerable number of those entitled to vote do not, for some reason or other, exercise their right. Nevertheless this is as near to the realization of true democratic government as it is practicable for any but a very small State, such, for example, as some of the diminutive cantons of Switzerland, to approach. However, as the earlier paragraphs of this paper have shown, no real violence is done to the democratic philosophy of government if the suffrage is as widely extended as the intelligence and disposition of the people make reasonably expedient, if no one is denied political rights upon arbitrary grounds, and if those who exercise political power, whether as voters or holders of office, do honestly and disinterestedly seek the best interests of the whole body of the governed.

**Functions of representative chambers.** The popularly elected representative body is ordinarily spoken of as the legislative branch of the government and its chief function conceived to be that of law-making. In truth, however, this is not the case, and the failure to recognize this fact has been prolific not only in false political reasoning, but in unfortunate political practices.

In 1861 John Stuart Mill published a treatise on *Representative Government* which has come to be regarded as a classic. Chapter V of that work has for its title "Of the Proper Functions of Representative Bodies," and it is a remarkable fact that the conclusions which Mill there reaches as a matter of abstract reasoning have been approximated in fact at the present day by the English Parliament.

After pointing out that there is a radical distinction between controlling the business of government and actually doing it, and that the latter is a task which no numerous assembly should attempt to perform, Mill says: "It is equally true, though only of late and slowly beginning to be acknowledged, that a numerous assembly is as little fitted for the direct business of legislation as for that of administration."

"The proper duty of a representative assembly in regard to matters of administration," he says, "is not to decide them by its own vote, but to take care that the persons who have to decide them shall be the proper persons." And again he says, "Instead of the function for governing, which it is radically unfit for, the proper office of a representative assembly is to watch and control the Government; to throw the light of publicity on its acts; to compel a full exposition and justification of all of them which any one considers questionable; to censure them if found condemnable, and, if the men who compose the Government abuse their trust, or fulfill it in a manner which conflicts with the deliberate sense of the nation, to expel them from office, and either expressly

or virtually appoint their successors. This," he continues, "is surely ample power, and security enough for the liberty of the nation. In addition to this, the Parliament has an office, not inferior even to this in importance; to be at once the Nation's Committee of Governances and its Congress of Opinions; an arena in which not only the general opinion of the nation, but that of every section of it, and as far as possible of every eminent individual whom it contains, can produce itself in full light and challenge discussion." And Mill concludes this remarkable chapter by saying: "Nothing but the restriction of the function of representative bodies within these rational limits will enable the benefits of popular control to be enjoyed in conjunction with the no less important requisites (growing ever more important as human affairs increase in scale and in complexity) of skilled legislation and administration."

That in England, the pioneer in free political institutions, and the "Mother of Parliaments," the progressive broadening of the franchise and consequent increase in democratic control have been attended by a steady diminution in the part actively played by the people's representatives in the determination of public policies, is certainly a very significant fact, and warrants us in stopping to consider what are the proper functions of the elected chambers in a republican scheme of government.

These functions have been already suggested in the quotation from Mill. They may, however, be recapitulated as follows:

First of all, the representative assembly should function as an organ of public opinion.

Secondly, it should act as a powerful and searching board of censors, compelling those in executive and administrative authority to account for the manner in which they have exercised the fiduciary powers entrusted to them, and, when

they are found remiss or incompetent or corrupt in the performance of their duties, visiting upon them the condemnation of their political superiors, the People, and, if necessary, holding them legally responsible, civilly and criminally, for their acts.

Thirdly, it is the proper function of a representative assembly to educate and, directly or indirectly, to select those who are to exercise the administrative powers of government. We all know how this is done, most effectively, under what is called the responsible or cabinet type of parliamentary government. Under the presidential type, as it is found in the United States of America, this elective function is not so directly performed by the Congress as it is by the English Parliament, but by its investigations, and the reports which it requires to be made to it, and by its debates and other proceedings, Congress is able to bring executive acts before public opinion which is able to make its influence effectively felt at the next Presidential election.

From what has been said it is not to be understood that a congress or parliament should play no important part in legislation. The only point here made is that its very multitudinous composition, and the inevitable fact that most of its members will be without technical training, make it impossible that a large representative body should be competent, as an entire body, to do the constructive work of drafting the public policies which are to find authoritative expression in law. This work must be done by its leaders, and if, as under the cabinet system, these leaders can also be the ones who are to be held responsible for the carrying of these policies into effect, so much the better. Where this working coöperation of the executive and legislature is not thus secured, the political responsibility of the executive has to be enforced, as in the United States, through the influence of the political party system. But in any case



the representative body should be the body before which the proposed public policies must be submitted for criticism, amendment, or rejection. This is a function which a parliament should never abdicate, but it is one which it should not abuse. In any country, and especially in one which is but beginning the practice of self-government, it is essential that the representatives of the people should be willing to give their confidence and support to those whom they have chosen as their leaders, and to these leaders authority should be given sufficient to enable them to exercise control over the administrative services. Executive power is not dangerous if to it is joined legal and political responsibility. For a legislature itself to attempt the direct exercise of administrative control in matters of detail, or to refuse the guidance of those who have demonstrated their abilities as constructive statesmen and efficient executive chiefs, is to render certain a weak and unintelligent conduct of public affairs.

**Conclusion.** In conclusion this point is to be emphasized. A republican government is, after all, but a means to an end. It is a machinery for serving the public good. It, like all other forms of government, must be justified by its results. It contains no inherent force or energy which automatically or inevitably tends to bring about a good administration of public affairs. Indeed, it is a form of government which, for its successful operation, requires a more active, intelligent, and disinterested coöperation of its citizens than is demanded by other types of political rule. It has the merit that there is a greater promise than exists under autocratic authority that the interests of the governed rather than those of the governing will be sought, and it furnishes agencies for the possible determination of what the people conceive to be for their own best welfare; but whether of the democratic or representative type, popular government provides no sure guarantees that those in authority will not

selfishly use their powers, nor does it make it any more certain that the policies which are adopted by the Government will be wisely chosen. And, in any event, it is as necessary under a republican as under an autocratic régime that there should be established and maintained an efficient administrative machinery for carrying into effect the policies which have been approved.

To the legal obligations which attach to citizenship in any State, whatever its form of government, there are thus added moral obligations which increase in force as political rights are broadened. For the welfare of the country is thus vested not in the hands of a few men, but placed in charge of the people themselves. Upon their intelligent judgment and disinterested action the decision rests whether or not the Nation shall be guided by the highest ideals of justice and humanity, and the actions of the Government wisely conceived and efficiently executed. If, then, in any State, a republican form of government is to be more than a mere form; if it is to receive substantive realization and be quickened by a living spirit of liberty and enlightenment, there must be something more than a mere aspiration of the people, something more than a general sentiment in favor of self-government. There must be a deliberately formed and continuously maintained determination of the people to make the necessary sacrifices, to exercise the necessary self-control, and to exert the necessary effort to obtain and exhibit that political intelligence without which there can be neither good government nor true patriotism. While the Civil War was in progress, in one of the greatest speeches ever made, President Lincoln said that the question was then in the balance whether a Nation dedicated to freedom could endure. That is a question which is never settled. It depends upon whether there is in the people the sustained resolve to preserve for themselves and their posterity the blessings of liberty.

## **II**

# **INSTITUTIONS OF DEMOCRACY**

**CARL KELSEY**

*Professor of Sociology in the University of Pennsylvania*

**ARTHUR JAMES TODD**

*Professor of Sociology, and Director of the Training  
Course for Social and Civic Work, in the University  
of Minnesota*

**EDWARD CARY HAYES**

*Professor of Sociology in the University of Illinois*

**W. F. WILLOUGHBY**

*Director of the Institute for Government Research*

## IV

### DEMOCRACY AND PRIVATE PROPERTY

CARL KELSEY

**Wealth — Capital — Its creation, consumption, and exchange.** Long before man appeared on earth and began his conquest of the world, Nature had stored away vast quantities of iron, coal, and other mineral substances. She had covered the hills with grass and trees; had filled the oceans with fish and populated the fields and forests with countless forms of animals. To this huge accumulation we give the name "natural resources." Man comes. He is hungry and would be fed; he is cold and would be clothed; he is exposed to the weather and would be housed. To meet these needs he works and gets, or produces, the things he needs. It is immaterial whether his work consists in hunting the deer, snaring the fish, climbing the tree for the cocoanut, or moving the rock from the ledge to the building site — wealth is the result of his labor. All the wealth of the world, aside from natural resources, then, is what man has created by his work. The production of wealth does not in itself satisfy man's needs. He must consume his wealth. He must eat to satisfy hunger and must wear his clothes to be warm. Use involves the destruction of wealth. The food will last for the meal, the clothing for weeks or months, the house for years; but sooner or later, the wealth is destroyed. Even the relatively durable forms like houses or roads must be kept in repair; that is, labor must be expended upon them if they are not to disappear before their time. The wealth that is thus used to meet present needs we call "consumption goods." Under favorable conditions man finds that he

can catch more fish than he can use for himself, or quarry more stone than he needs. He then seeks to trade his surplus for things produced by other men and thus he gets a variety which makes his life richer and happier. After a time he invents money and begins to buy and sell rather than barter. He comes to work for money wages rather than for bread and butter. Thus it comes about that many people forget the real facts in the case and talk solely in terms of money. In reality men are always producing and consuming goods — “wealth,” not money. Man soon learns to use part of his wealth, not directly to satisfy his wants, but indirectly to help him produce more goods. He invents bows and arrows, and by their help secures more game. He makes machinery, and weaves more cloth in an hour than he did previously in weeks. To this part of his wealth which is used in production we give the name “capital,” or “production goods.” But “production goods” like “consumption goods” are destroyed by use and must be replaced constantly.

**Property — Ownership.** Once the wealth is produced another question arises. To whom does the wealth belong? Does it belong to the individual? Does it belong to the group of which he is a member? Does it belong to the members of his group or to other groups as well. To such questions there is no one answer. In the present state of our knowledge of the past it appears that different answers have been given at different times and places. Present customs have resulted from the attempts of men in the past to answer them in ways that seemed best to them and no one line of development can be traced.

Before man was, the squirrels and bees established savings banks of nuts and honey and defended them as best they could. Early man seems to have developed the idea that what he himself produced was his in a peculiar sense, and

thus "property" came into existence. Even this statement needs modification. In many tribes a man may own the clothes he wears or the bow and arrow he makes, and yet the game he kills as food may belong to the family or to the group rather than to the individual. The American Indians recognized private property in some things, but not in food, generally speaking. When hungry, the Indian might help himself to food wherever stored. The white man could not understand this attitude, and considered the Indian a thief when his storehouses were attacked, while the Indian was equally unable to understand the white man's position. Even to attempt to trace the history of property would require volumes rather than pages, and cannot here be undertaken. All that we can do is to note the sorts of things which have been treated as property.

**Rights are social in origin.** To avoid misunderstanding later, let us note that what we call rights are the privileges or permits granted by society to individuals. These privileges may be chosen wisely or foolishly, but they are chosen by the group, not by the individual. I am allowed to live if I do as society decrees. If I act in violation of the decree, I may be put to death. Property is a social institution. There is no natural right to hold property. Private property, then, refers to those things which society permits to be individually owned. It should be remembered that other views of property have been held. The original constitution of Massachusetts contained phrases expressing an inalienable right to acquire, possess, and defend property. American courts have stated that the right to acquire and possess property is one of the "natural, inherent, and inalienable rights of man." Such expressions, no matter when uttered, all hark back to concepts no longer held by well-informed students.

**Titles — Contracts.** Some one has well said that private

property is a "bundle of rights." Our courts have consistently held that the right to hold property involved a right to enter into contracts. Thus contract rights became property rights under the law. The complex legal questions involved in this attitude cannot be treated in this chapter. All that can be done is to indicate that the term "property" is not limited to material things. As Ely has written, "The essence of property is in the relations among men arising out of their relations to things."

**Objects of property.** We may divide the objects held as property into three great groups:

- (1) Human beings — slaves and bond servants.
- (2) Non-human beings and other commodities.
- (3) Land.

Slaves are no longer wealth in the sense in which the word has been used here. But this our present-day notion has not always been accepted. Earlier generations have recognized that the conquest of the weaker by the stronger gave to the latter the right to hold them in permanent subjection, to direct their labors, to buy and to sell them as if they were animals; at times, to kill them. Our own country was the last of the great nations to prohibit the ownership of human beings. It must be admitted that many men still believe in it. The serf is an intermittent slave, being required to give service for limited periods. Serfdom differs from slavery likewise in that the master, in theory at least, has corresponding and equivalent obligations to the serf. There have been good owners and satisfied slaves, good masters and contented serfs, but our moral development has carried us beyond the specious arguments of the past, and slavery is not likely to be established in public esteem in any future that can be foreseen. Serfdom disguised, still survives, but the necessity for the disguise makes further comment unnecessary.



Non-human beings and commodities, to capture, to possess or produce which has required labor, with various limitations, are almost universally recognized as properly coming within the scope of private property. There are many questions involved, however, which are far from simple. If a man goes fishing alone it is easy to decide that he is entitled to the catch. If ten men go in a boat and all help to row as well as to do the other work, does he whose hook catches no fish get nothing? Ten negroes dig ten elephant pits, then all seek to drive the elephant in their direction. Does he in whose pit the elephant falls obtain the title? In the scattered populations of earlier times, or under rural conditions to-day, it may not be hard to decide what each produces. When men congregate in great masses and work by thousands on a boat it is most puzzling to determine just what each has produced, even if we grant the workers are entitled to the whole product of their efforts. With certain limitations to be discussed later, the general consensus of opinion to-day is that each man should have what he produces.

The student of economics will soon encounter the term "free goods." This refers to goods so common as to be accessible to all; the air, for example. Water, once so common and available as to be a "free good," becomes private property at times under modern conditions. Fish and game have been held as "free goods" long after the land was held in private ownership. If the American policy in this matter is not soon changed there will be no game left.

When the control of free, or manufactured, goods passes into the hands of individuals or groups of individuals we have private property. When the control is held by the State or some subdivision thereof we have public property.

**Right of ownership in land.** The right of individuals to own land has often been disputed. The Iroquois Indians

of New York marked off the boundaries of the tribal lands, but did not admit individual ownership. The Indian families of the Canadian woods may hold the hunting and fishing rights in a river valley, but not as individuals. It is easy to see how this family control might easily lead to individual ownership and quite probably this has been one of the ways in which the right has been developed. Conquest of other peoples with the subsequent granting of great estates to favored leaders has also been a common antecedent of individual ownership. In Europe most of the land titles down to the thirteenth century rested on conquest. In general, among primitive peoples land has been held under some form of communal ownership. In ancient Germany as well as in England the land was held in common and let out from time to time in small strips for the use of individuals and families. This custom has survived to our own day in Russia in the "Mir." The common land of England was not all enclosed at the beginning of the nineteenth century. In the City of Boston in our own country the famous "Boston Common" is what is left of the old communal landholdings. Our States and the Nation still hold enormous areas of public land. We may now consider the wisdom of this private ownership of land.

**Its justification.** It is well to admit at the outset that the test of any social program is whether or not it is conducive to the welfare of the people. Land-ownership like every other private property right or privilege cannot be successfully defended on the ground that it is an ancient custom, nor condemned on the belief that it originated in ruthless conquest of other peoples. Inasmuch as conditions in different countries vary, we shall limit the discussion to the United States.

There were less than five hundred thousand Indians here when the white man came. The incomers bought the land

from the Indians for an insignificant sum, large as it may have seemed to the natives. This land was immediately offered to individuals on the easiest of terms which practically involved nothing more than residence upon and cultivation of the land itself. The immediate result of this policy was to attract here great groups of hard-working peoples of Europe who saw a chance to better their condition. As a result the country increased in population and spread far beyond its first limits. Plenty of hard work and the simple life fell to the lot of the immigrants. Because of individual ownership the communities became permanent and it was to the interest of the owner to improve his land in every way. The greatest obstacle to this improvement was the existence of even better land a little farther west which could be more easily cultivated and could be secured on equally easy terms. Scarcity of labor and abundance of tillable land led to the improvement of machinery, with the result that agricultural implements have changed more since 1850 than they had in all the period from Herodotus to 1850. Most of these improvements have been made by Americans. Under such conditions every man of any energy and ambition became a landholder and prosperous, relatively speaking. Thus public property became private property.

**New conditions in America.** We are now facing a new situation. The free land is almost gone if we leave out of account areas subject to improvement by drainage or irrigation. With the increase of the population as well as because of the improvements made by owners, the land has risen enormously in price. The young farmer, recently married, can no longer get land for a song and is forced to become a tenant with the chance of owning his farmstead postponed to a distant future. When he can he moves on as did his grandfather. Iowa, a typical farming State, has lost in actual population largely because the younger generation

has gone to the Pacific Coast or to Canada. The older generation accumulated more land than it could till, so leased much of it to tenants. When the working years passed, the owners moved to the small towns for the sake of better educational advantages for the children. The result is the increase of absentee landlords. Incidentally the backwardness of many of these towns in the Middle West is due to the large percentage of retired farmers who, not having had certain facilities in the country, refuse to vote the money for them in the town. It is almost axiomatic that the owner will take better care of the place than will a tenant who may be displaced at any time. Moreover, the absentee landlord will not be willing to spend the money for many improvements that price would compel him to make if he continued to reside on the place. If carried to extremes, this may lead to the withdrawal of much land from agriculture as has happened in England.

**Compel a reconsideration of policies.** It is clear then that our system of private land-ownership will have to be considered from a new angle. Indeed, one of the schemes of reform, the so-called "single tax" of Henry George, was suggested to him as a newspaper man in California by the fact that when the placer mines were worked out the miners were unable to get good farms because so much of the then available land had passed under the control of corporations and was not open to the individual settler. Whatever the final decision, it is certain that we shall have many suggestions of the desirability of public ownership of land before many years. The war has forced England to take vigorous measures to secure better cultivation of the soil.

**The State's relation to property.** In simpler times when property was scarce the activity of the central organization called the State was largely taken up with the settling of minor disputes, such as those growing out of the rivalry of

men over women or the protection of the group from the attacks of outsiders. With the increase of private property of every imaginable sort property matters come to play an ever larger part. Primitive crime is chiefly personal. As civilization and wealth increase, crime is more and more concerned with property. Thus the State comes to have many and immediate relations to the question of property and these must be outlined.

**The State establishes law.** Freedom comes with law. Where there is no law there is no freedom. Law may be written as it is now, or unwritten as it has been in earlier times. The essential thing is its existence. Without law there can be no peace for individuals or security for property. Unless property rights are observed, additional property but adds to the worry of the owner who must spend increasing time and effort to safeguard what he has. Thus the protection of the property rights of the citizens in ordinary times comes to be far more important than the protection against outside enemies. By an unfortunate shift of language there has come the habit of speaking of property rights as something inhering in the property itself. This is not the case. From a social standpoint property can have no rights, but property-owners do. Much confusion would be avoided if this were kept clear. To secure the protection of owners in their just rights and to settle the endless misunderstandings that arise over property, the State has been compelled to secure increasing revenues. That means in substance the withdrawing of a certain percentage of property from private to public uses.

No State recognizes an unlimited right to private property as regards the acquisition, holding, use, or disposal thereof. To give the details in this regard is impossible. We must be content with the briefest statement of general principles.

**The State regulates acquisition.** The State insists upon

the securing of a clear title to property. It recognizes the just claim of the worker to that which he has produced, but it prohibits acquisition by force or theft. Even the hoary practice of securing foreign lands by conquest is more and more coming under the ban.

**Holding.** The state determines who may hold property. It may discriminate against foreigners, as does the present land law of California as regards the acquiring of land by Orientals. It may prohibit foreigners to own firearms, as does the Pennsylvania law, or it may prohibit the carrying of concealed weapons or the ownership of intoxicating liquors, which is true of many States. It may forbid women to own property, as it did until recently, and it may require minors and insane to have guardians, as is generally true.

**Use.** All States seek to prevent what they consider the improper or anti-social use of property. The buying of votes, the corrupting of juries, the bribing of public officials, and similar practices are universally condemned. Even the private ownership of land does not always give exclusive use thereof to the owner. The right of access to the waterfront, of walking through the forests or hills, is often reserved for the public and constitutes what may be called an easement on the property.

**Transfer.** The State seeks to regulate the transfer of property from one owner to another. Lotteries, once used even to maintain religious organizations, that is, the securing of property without giving anything in return except through outright gifts, and other forms of gambling are opposed. Special attention is paid to the safeguarding of titles to land and some form of public registration is required. Our own system is an antiquated and unsatisfactory jumble, but that is a minor matter. Each year witnesses the growing interest of the State in this subject. Once the motto was "Let the buyer beware"; now, the State seeks

to protect the unwary. This has been made necessary by the development of great enterprises often located at a great distance, and with reference to which few individuals could get personal information of value. Blue-sky laws are growing in favor.

**Inheritance.** To most people as incident to the right to acquire private property is the right to grant or to give it to any one he will, either during his lifetime or by devise or bequest at time of death. The two are, in reality, entirely distinct and involve very different considerations, as Blackstone himself clearly saw. It is easy to justify the holding of property by the creator as a stimulus to thrift and industry. It is easy to understand the natural desire to leave the family comfortably situated, but other results must be considered. In reality no man, however wealthy, can eat more than a certain amount, nor does he have any more time during his life than does the poor man. The limits of physical needs are quickly reached and when these are reached it is usually the desire for power which urges the man to accumulate more rather than the desire for money. The wise use of great power is the most difficult task man ever undertakes. Many men accumulate money by painstaking attention to the business of which they are masters, but make great fools of themselves when they give it away and likewise accumulate gold bricks as well as gold bonds in their safety deposit boxes. It is easy to justify the sharing in this wealth by the wives who have helped in many cases to accumulate it, or the pensioning of afflicted children. It is not so easy to justify the passing it on to normal children. This argument must be examined in more detail.

**Its problems.** No law can destroy natural differences between men. Law can prevent the exercise of great ability, and should do so if the way chosen is harmful to society; but the society that refuses to take advantage of the powers of

its great men is committing a slow form of suicide. The inheritance of great wealth cannot be defended on the ground that the children of the wealthy will prove equally able. They may inherit the physical fiber of their ancestors, but they seldom inherit the social environment and receive the training which their fathers had. The development of a great business breeds a sense of responsibility seldom shared by the inheritors. In other words, the inheritor of great wealth is put in a position of power which he is often unfitted to hold. Society should not seek to destroy natural distinctions. Should society establish artificial distinctions? The possession of wealth means that the owner can determine the activity of thousands of human beings. Should such power be given one who has not shown his fitness to exercise the responsibility? That is the crux of the question. If this be true even of the children of the accumulators of wealth, how much more true is it of the distant relatives who so frequently share in the great estates. This question is being asked with increasing frequency, and the public mind is slowly coming to the conclusion that some solution must be found. With the disappearance of cheap land and the necessary result that larger and larger elements of the people will become wage-earners, the question becomes more acute and more clearly seen.

**Distribution of property.** The ownership of wealth is steadily concentrated in fewer and fewer hands. In 1855 in New York City a man who owned \$100,000 was considered wealthy and millionaires were almost unknown. It is estimated that two per cent of the people in the United States own sixty per cent of the wealth. Not long ago it was thought that there was little danger of the excessive centralization of wealth, owing to the American custom of dividing it among all the children, but as the number of children in a family seems to vary inversely with the size of the family



income, this hope has not materialized. It is significant that franchises or real estate have been the bases of a large part of the great fortunes. This fear of the results of accumulation of wealth is not limited to the poor. Andrew Carnegie has written: "The Almighty Dollar bequeathed to children is an almighty curse. No man has a right to handicap his son with such a burden as great wealth."<sup>1</sup> In other words, among people who believe in wealth and would hesitate to limit in any artificial way the accumulation of wealth by great men, there is coming a feeling that wealth in the hands of other than the accumulators is a growing menace to the welfare of the country and a threat to democratic institutions. John Stuart Mill wrote years ago: "It is not fortunes that are earned, but those that are unearned, that it is for the public good to put under limitation." The belief that the ownership of wealth is a trusteeship is growing. The problem is, then, the devising of ways and means to make wealth of the greatest service to the community. This does not mean the destruction of wealth, for wealth is the basis of civilization. Now vaguely realized, now clearly seen, service is the justification for wealth. How can the greatest service be secured? The question must be answered by the friends of wealth unless they foolishly prefer to have it answered by their enemies; for answered it must be, whether we live in America or in Russia. Inasmuch as this is one of the most difficult problems society faces, few individuals are so foolish as to think that they can give complete and final answers. Some of the plans and proposals must be discussed.

**Taxation of inheritances — By the Federal Government.** The steadily increasing need for public revenues has led the leading nations to consider more and more inheritance taxes both as partial answers to the questions above raised and as

<sup>1</sup> *Gospel of Wealth.*

revenue measures. As early as 1797 the United States Government put a stamp tax on legacies and shares of personal estates when the amount was over fifty dollars. This was repealed in 1802. Nothing further was done until 1862, when the war revenue measure imposed a legacy tax on the devolution of personal property and stamp taxes on probates of will and letters of administration, the rates ranging from three fourths per cent to five per cent, according to relationship and amount. These measures were modified several times, and finally repealed in 1872. In 1894, in provisions for an income tax, income was defined to include "money and the value of all personal property acquired by gift or inheritance." The excess of the inheritance over four thousand dollars was to be taxed two per cent. This law was annulled by the Supreme Court in the case of *Pollock vs. Farmer's Loan and Trust Company*.<sup>1</sup> In 1898 another war measure placed a tax on inheritance and the distribution of shares of personal property, the rates ranging from three fourths per cent to fifteen per cent. The high-water mark of this law was reached in 1903, when \$5,356,774 was collected; an analysis showing that two thirds of the entire amount was paid by relatives taxed at the lowest rates. Objection was made that such taxation was a violation of the Constitution, which states that direct taxes must be apportioned among the several States according to population. This objection was answered by the Sixteenth Amendment to the Constitution adopted in 1913: "The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration." The Supreme Court has decided that inheritance taxes are duties and not direct taxes. The Federal law of September 8, 1916, established a scale of rates from one to

<sup>1</sup> 158 U.S. 601.

ten per cent; on March 3, 1917, the rates were raised from one and one half to fifteen per cent, and on October 3, 1917, to a sum ranging from two to twenty-five per cent, the last applying to fortunes over \$10,000,000 with a minimum of \$50,000 except in the case of foreign owners.

**By the State Governments.** The several States have also established inheritance taxes, the first law having been passed in Pennsylvania in 1826. The movement did not acquire headway until about 1890. By 1917 forty-three States had inheritance taxes, the rates ranging for direct heirs from one to fifteen per cent and for collateral heirs from three to thirty per cent. From January 1, 1917, to April 1, 1918, the last figures I have at hand, twenty-three States amended their laws, making them more rigid in every case, while Mississippi passed its first law. The four States having no laws are Alabama, Florida, South Carolina, and New Mexico. In twenty-one States the tax runs as high as ten per cent on collateral inheritances of the largest amounts and most distant relationship. Fifteen States reach a maximum of fifteen per cent, while the rates under the same conditions in Nevada are twenty-five per cent, in Missouri and California, thirty per cent, and in Arkansas, thirty-two per cent. Inasmuch as these rates apply only to remote relations and the largest amounts, their importance must not be exaggerated. There is a substantial sum exempted, California exempting sums under \$24,000 and the Federal Government sums under \$50,000. They indicate very plainly the drift of the times. Owing to the fact that the laws vary in different States and that owners do not always live in the State in which the property is situated, the tax actually collected may exceed the rate in any one State.

**By European Governments.** In Europe, even before the war, the rates were very high. England as early as 1894 established a graduated "estate duty" on estates before

division and also a "legacy duty" on personal property, the combined effect being that about twenty-three per cent of estates valued at over \$15,000,000 passing to distant relatives went to the State. France adopted a highly progressive inheritance tax in 1901. On estates valued at over \$10,000,000 direct heirs paid five per cent; distant relatives, twenty per cent on all the excess over \$1,000,000. Germany originally left this in the hands of the several States, but in 1906 it passed a law establishing a tax of twenty-five per cent on estates exceeding \$250,000 going to distant relatives.

**Taxation of unearned increments.** It has already been hinted that great fortunes may arise in various ways. Well-informed men recognize that certain of the leaders of finance in days gone by have been essentially buccaneers and pirates in that they were seeking to rob other men of their accumulations and that they built up their fortunes by methods which may have been legal, but which were not conducive to the welfare of society. It is this type of man who is chiefly responsible for the blind outcry against wealth so frequently heard. Of a second type is the man who through faith in some new invention, such as the telephone, produces something which every one wants and gains a vast fortune while serving the people. Or, it may be that he is a great singer or actor to whom every one gladly contributes because of the pleasure he renders. The third type is represented by a man who through fortunate investments in land needs only to sit and wait while population increases, creating nothing, doing nothing to improve the land, but who gathers in enormous returns to which we give the name "unearned increment." Until recently, it was generally accepted that it was fit and proper for this "unearned increment" to go to the holder of the title. This was natural in a country where nearly every family in one way or another

was profiting by the increase in the price of land. When this day passed and land was more and more centralized in ownership, questions were asked, and there is a rising tide of opinion opposed to the old practice. The single-tax suggestion of Henry George has been mentioned. In this country it has not been adopted and the leading economists have been opposed to it. There is growing in favor, however, the suggestion of securing some revenue in this way. In other lands the movement is much further advanced. Great Britain in 1909 imposed a tax of twenty per cent of the increment arising after that year payable by the owner when the land is sold, leased for more than fourteen years, or transferred at death. Land held by corporations and not changing hands is to pay the tax every fifteen years. The Germans in Kiaouchau in 1898 imposed a tax of  $33\frac{1}{3}$  per cent on any increment accruing thereafter to individuals purchasing land from the Government. This example was quickly taken up in Germany itself, and by 1910 the increment tax was operating in 437 German towns. In 1911 the German Empire imposed a progressive tax on increments. In Alberta and Saskatchewan many towns have adopted this plan and the movement was spreading rapidly before the War. Australia and New Zealand have made experiments, and it is claimed in the latter that the great land estates have been broken up by the operation of the law. The essence of the argument in favor of such laws is that persons will be unable to hold land in idleness and pay the taxes and will thus be forced to turn the land over to those who can make good use of it. Such legislation usually is accompanied by provisions for reducing the tax on improvements which is one of the great weaknesses of the ordinary system of taxing land.

**Property in a democracy.** The essential thing in a democratic government is the recognition that the source of au-

thority lies in the expressed wish of the people. Other systems of government have rested upon the personal might of the ruler or ruling class, or upon some alleged divine sanction, and could be conducted without reference to the wishes of the people, even though nominally conducted in their interest. Not so in a democracy. Here the people must be free to express themselves and to modify their judgments from time to time as they may think best. This does not mean that a hasty verdict, due to some passion or sudden enthusiasm, is to be allowed to overthrow long-established standards, and democracies recognizing this danger provide some machinery which makes it impossible to execute snap judgments.

**Its entrenched position in America.** For many years Americans have been extremely proud of their democracy. Justly so; but, curiously enough, they have failed to remember that many of the dominant men at the time of the founding of this country believed in aristocracy rather than democracy, and threw many obstacles in the way of real democracy. It is significant that as competent a judge as President Hadley of Yale has written:

The fact is, that private property in the United States, in spite of all the dangers of unintelligent legislation, is constitutionally in a stronger position, as against the Government and the Government authority, than is the case in any country of Europe. However much public feeling may at times move in the direction of socialistic measures, there is no nation which by its constitution is so far removed from socialism or from a socialistic order. This is partly because the governmental means provided for the control or limitation of private property are weaker in America than elsewhere, but chiefly because the rights of private property are more formally established in the Constitution itself.

President Hadley, in an article which will be found in *The Independent*, April 16, 1908, goes on to point out that the system of land tenure in every country in Europe, down to

the thirteenth century or thereabouts, was feudal and based on military service. From the fourteenth to the nineteenth century, Europe gradually substituted industrial tenures for military tenures. At first, the industrial tenure was an addition to the military tenure rather than a replacement. In America, no military chieftain was desired. Conditions made us ultra-individualistic. Free land for all, the necessity of hard work, sacrifice, and saving if one would accumulate, cultivated in us a faith in the individual and a fear of overhead control. The result was that when the United States started its independent career "respect for industrial property right was a fundamental principle in the law and public opinion of the land."

**The Dartmouth College case.** Fear of strong central government, plus the fear of sectional jealousy, led to the constitutional provision preventing legislature or executive, either of the Nation or of the States, from taking property without judicial inquiry as to the necessity and without making full compensation if property was taken. Furthermore, there was the provision that no State should pass a law impairing the obligation of contracts. Our courts soon adopted what was undoubtedly the intention of the framers of the Constitution, though nowhere so stated in that document, the power of deciding that legislation is or is not constitutional. It should be remembered that in no other great country do the courts have this power. In England, for instance, the action of the legislature is the law of the land. Two things have happened which have greatly strengthened this position of property, though directly having nothing to do with it. First was the famous Dartmouth College case, decided in 1819, which established the principle that a charter once given could not be modified by the State without the consent of those who held the charter. For almost a century this decision had the effect of protecting any char-

ter-holders even though the representatives of the people who gave the charter had been controlled by the most vicious motives. Unless the holders of the charters were willing, the public had no power of recalling or modifying the charter. In the minds of many of our keenest men, this decision was most unfortunate in that it confused privilege with property. Its indirect effects upon legislation have been enormous. Now it is generally held that a charter is a permit not a contract.

**The Fourteenth Amendment.** The second event was the passage of the Fourteenth Amendment, which forbade the treating of different persons in unequal ways. In 1882 the Southern Pacific Railroad Company objected to a taxation law of California on the ground that the law was a violation of the Fourteenth Amendment, inasmuch as the corporation was a person, and therefore entitled to equal treatment. Although such a contingency had never been imagined by those who put forward the Fourteenth Amendment, the claim was granted and thereafter corporations under the law became persons. This still further reduced the possibility of public control. Although this decision has been regretted by some of the best legal minds, it has been generally favored and was considered advantageous by the corporations themselves until the scheme of a graduated income tax was devised. No wonder, then, that President Hadley writes: "The fundamental division of powers in the United States is between voters on the one hand and property-owners on the other. The forces of democracy on the one side, divided between the executive and the legislature, are set over against the forces of property on the other side, with the judiciary as arbiter between them, the Constitution itself not only forbidding the legislature and executive to trench upon the rights of property, but compelling the judiciary to define and uphold those rights in a manner provided by



the Constitution itself." This Constitution, he concludes, "has been a decisive factor in determining the political career of the Nation and the actual development of its industries and institutions."

If we now recall what has been said about the influence of free land upon the development of our national life and individualistic emphasis, it is easy to understand the earlier belief of Americans that all could succeed if they would work and save, and the earlier impatience with those who did not accumulate property to some extent. In the course of events it has come about that this condition can no longer obtain, and that the majority of American workers in the future will be wage-earners, not land-owners, and that the percentage of property-holders may diminish indefinitely. It is obvious that the stage is being set for a very definite reconsideration of the principles upon which our Government has been conducted, in so far as property is concerned. This changing sentiment has found expression in several ways.

**Taxation.** The income of the Government must increase with the functions of the Government. In America, because of the pension system adopted after the Civil War, the budget for which continued to grow in spite of all prophecies, the necessity for increased income has been ever present. The easiest way of raising money is usually by indirect taxation. If the tax can be added to the cost of an article without the buyer realizing the fact, he pays the tax much more willingly than if he recognized it and paid it directly. Indirect taxes have been favored by the more or less unthinking multitudes, who failed to realize that from fifteen to twenty-five per cent of their cost of living went in reality to the Government for taxes. Wealthier citizens, however, were not paying more than from ten to fifteen per cent to the Government in this way. I cannot vouch for the accuracy

of these percentages, but they are probably reasonably correct. There has grown up gradually a belief that it would be well to raise a larger percentage of our public revenue by direct taxation. Moreover, direct taxes being separately paid are always realized and the payers are likely to be more keenly alive to the way in which the money is spent.

Coupled with this there has been in the last twenty-five years a very extensive discussion of the standard of living, with an emphasis upon a minimum wage which will enable workers to live in decency, and the feeling has developed that no one should eat cake until all have bread. Translated into terms of taxation, this means that an increasing percentage of the expenses of the Government should be borne by those whose surplus over the mere cost of maintaining physical efficiency is greatest. In actual practice this finds its expression in the income tax. Europe has long based its taxation largely on incomes. In the United States we have depended largely on accumulated wealth. The recent development of the income tax in America is too well known to call for detailed statement.

**Socialism.** There remains to be considered the attitude toward property, which may be summed up in the word "socialism." Although socialism is a word of very vague meaning, it will be generally admitted from the economic standpoint that socialism involves the public, or as some prefer, the social, ownership of all "production goods," or capital. It does not involve, as so often thought, the doing away with all private property, for it would still permit "consumption goods"; that is, all those things which a man uses for himself, which would include his home as well as his clothes to be privately owned. It would involve the public ownership of all land used productively. It should be recognized that the word "socialism" is frequently used for any expansion of the functions of government, but in

reality this is a very different matter. Like all social institutions, government must change, and it may be increasing its sphere in one direction and decreasing it in another at the same time. The socialist, as defined, believes that as a matter of principle, not expediency, government must own all capital and control its use. No one has yet given a very clear picture of what this would involve. The socialist professes to believe that the present initiative given to individual enterprise by private property would be replaced and ennobled by a vision of social service. Every one will sympathize with the idea that the great business man should use his executive capacity primarily for his country and the world rather than for personal profit. The critic, however, does not see that this cannot be done with the preservation of private property. The socialist is forced into the position that inasmuch as government control is a matter of principle, we must have it, even though the results are not as satisfactory as under private ownership. Many refuse to admit this. The socialist holds that it is impossible to prevent the sort of exploitation and injustice which the corrupt and incompetent capitalist has exercised. The socialist is forced to assume that public ownership would result in the more efficient handling of the capital of the country. Inasmuch, however, as the State is not a machine, but an organization of human beings, and that human beings must be placed in charge of this great centralized machine, and, no matter how carefully chosen, will be subject to all the weaknesses and temptations of present human beings, the critic of socialism feels that this committee which controls the disposition of capital would in reality become the greatest autocracy that the human race has ever imagined. It is admitted, then, that the present capitalistic system produces many bad results along with the good results which have been noted. It is admitted that in the future the func-

tions of the Government are likely to increase and that it may be advisable for the Government to take over the railroads and telegraphs and other enterprises of semi-public character, but to the average man this will remain a question of expediency rather than of principle. Here he parts company with the socialist. It is, in other words, by no means a foregone conclusion that human beings have the capacity to cope with the enormous problems which governmental ownership would involve. It is by no means axiomatic that our largest corporations are the best conducted.

**Communism.** There is an extreme form of socialism known as "communism," which means that the individuals share a common life and adopt the principle stated a century ago in France, "From each according to his ability — to each, according to his need." There have been small groups of like-minded individuals, usually adherents of some religious sect, who have developed small communities and maintained fairly successful organizations for long periods of years in the United States. The last, and in many ways most successful of these, is the Amana Community in central Iowa. No one is able to visualize how such a program could be worked in a great country, and no one, therefore, has suggested it as a feasible solution of present difficulties.

**Influence of the present War upon property.** It is impossible at the present moment to get a vision of the change in public attitude toward property which will result from this War. Certain things stand out fairly clear in all lands. First, the almost universal acceptance of the belief that it was the duty of every citizen to sacrifice both life and property if need be for the sake of his ideals. Paralleling this has been a universal expression of detestation for the man who sought to increase his private profits because of the War. That many industries would profit tremendously was frankly recognized. This situation was met in all the

warring lands by the imposition of excess profit taxes; primarily, of course, for the sake of revenue, but based upon the belief that the community was justified in absorbing all the extra profits growing out of the war situation. On another side, the democratic spirit was shown in the insistence that all men be drafted who were physically fit, regardless of their individual wealth, and so far as I know the suggestion has not even been made that the wealthy men be permitted to hire substitutes as was done at the time of the Civil War. It so happens that the last four years mark the culmination in America of a long fight against the liquor traffic. It cannot be questioned that the War has hurried the decision, whether we view the decision itself as wise or unwise. It does mark, however, a very definite recognition of the right of the people to exterminate an age-old traffic involving enormous amounts of property and the compelling of the use of this property in other ways. It is worthy of notice that while England has recognized a vested right on the part of saloon-keepers, America has refused to admit such a right, and has denied compensation. Incidentally, the abolition of the liquor traffic will compel us to find some way of replacing the revenues which it has paid, and the probabilities of the situation are that the income tax will have to make up the large part of the difference. The only other source that remains is the imposition of taxes on the unearned increment of land which has yet attracted little attention.

The War also marks, it is to be hoped, the end of the old private pensions system which has burdened this country for fifty years. The adoption of a definite compensation system with the governmental insurance, if wisely administered, should go far toward the establishment of a satisfactory and an adequate provision for future needs, and should make impossible the interference in political life

which grew out of the old pension system. It is quite probable that some form of insurance will be depended on, more and more, to provide for old age and the accidents of life. The unearned increment on land so generally available in years gone by is no longer adequate nor equally distributed. The total life insurance in force in the United States at the outbreak of the War was about \$27,000,000,000. The Government has written about \$40,000,000,000 on the lives of soldiers and sailors. Every effort should be made to get them to keep up this insurance.

This country has been spared from the terrific loss of capital invested in buildings, machinery, and roads which has created a situation in Belgium and France that is almost beyond belief. The task which France faces of finding the owners of property and establishing their titles is one almost new in the history of the world. How France will solve these problems is idle for us to speculate at the present time.

Perhaps the greatest change with reference to property is the rising tide of that vague but impressive movement called Bolshevism. All movements have causes, and great movements seldom spring from any one cause. We know too little of the exact situation in Russia to determine how much of the movement there is religious, political, or economic. It certainly partakes of all three characteristics. The significant thing is that it has spread to Germany, and from our standpoint the more significant thing is that it has awakened echoes in our own country. In so far as it develops as a constructive criticism of old programs it must be given a hearing. There is danger in all lands, however, that the agitator and demagogue will find opportunity to instill distrust into the minds of the propertyless classes and create a feeling of revenge against real or fancied wrongs which may lead to anarchy. It should never be forgotten that property wisely administered is a public benefit even though

the title is held by individuals. It is one thing to ask that the conditions of life of the humblest citizens be regarded and their needs considered. It is a very different thing to suggest that all men in positions of power and responsibility be replaced by those lacking experience and judgment on the ground that the latter are the representatives of the numerically strongest section of the people. At present there are no indications that private property is to be abolished. Writing at the outbreak of the war, Ely said, "No tendency whatever is discovered towards an abrogation of the right [i.e., to private property] and this is clearly the drift of the decisions of American courts." It is not admitted by most students that either public or private property should exist to the exclusion of the other.

This War has demonstrated that no one nation can lead its life apart from others. It is to be hoped that it has likewise demonstrated that the bugaboo of class warfare, so vociferously emphasized by the demagogue, should yield to a recognition that class coöperation is more important than class conflict.

## V

### DEMOCRACY AND THE FAMILY

ARTHUR J. TODD

**Social, economic and religious bases of family life.** Since both biology and social experience have conspired to ordain some form of family life for all mankind, no plan for genuine social reconstruction can overlook the share of domestic organization in that new social life. And on the other hand the family as an institution must adapt itself to every profound modification in other social institutions. That this is not an impossibility but almost axiomatic the whole history of the human family clearly proves; for it has always taken on the color of prevailing economic or political or religious structures. It is not surprising, therefore, to find that domestic life, like political or religious life, follows the general human trend from autocracy and crude force toward a more democratic organization based upon rational persuasion, sentiment, and voluntary coöperation. For example, marriage by "force, duress, or fraud" is now pretty generally recognized as criminal; and whereas the husband and father was once allowed the power of life and death over his family, he may now be sent to jail for maltreating wife or child. While formerly the institutions of property, government, and religion tended to reinforce the *patria potestas* and domestic headship of the male, government and industry seem now to be breaking down this vestige of petty monarchy. Industry offers to women at least a nominal chance for economic independence and other trades than marriage, while the community assumes constantly wider controls over all the conditions of domestic life including control



over the erstwhile patriarch. Our chief concern is how to maintain the trend toward stable, enduring, and democratic family life in these times of world upheaval.

The chief problems centering about the general position and function of the family in a democratic society are the conditions of adequate and wholesome family life, and the hindrances to such wholesome life which still exist, and which any democratic reconstruction worthy the name should be expected to mitigate.

**Permanence of the family as an institution.** Let it be clearly understood at the outset that democracy does not mean destroying the fabric of family life, nor does it threaten in any way its essential stability or its finer values. Nor does the growing public "interference" in domestic life betoken that the family or parenthood is becoming merely vestigial and will soon disappear in favor of the Spartan common table or Plato's common nursery. The family is too deeply rooted in human experience to be broken down finally by capitalism or socialism or anarchism or any other phase of social experiment. It is true that now community intervention compels the proper feeding, clothing, schooling, and disciplining of children, compels husbands to support their wives, forbids living in certain types of dwellings, limits the keeping of animals in certain quarters, forbids night work to women, enforces quarantines, and in other ways restricts private liberties. But a democratic community still expects and needs that family life shall be the normal portion of the great majority of its citizens, shall produce well-born, well-educated, well-disciplined children, shall promote close friendships and discriminating confidences, and shall yield the virtues of obedience, courtesy, helpfulness, cooperation, tolerance, and hospitality, to say nothing of those finer, less tangible æsthetic values which sound home life should create. We have no way now of measuring exactly what cur-

rent family life is doing to serve democracy in these ways or how well it is doing the job. Yet while not blind to the fact that family life may engender wastefulness, bigotries, clanishness, and caste, it seems perfectly clear that under proper conditions and with certain stimuli the family can become the training-ground for those wider loyalties and efficiencies without which real democracy is impossible.

**Some conditions of improvement.** What, then, are those requisite conditions and stimuli? Without committing ourselves to all the details of eugenic policy it is still sufficiently apparent that no democracy can get very far unless the average parental stock is sound and clean and takes measures to keep itself so. Likewise that sound parental stock must be properly educated and kept in health. It must learn and practice self-control. Of no less importance is adequate economic opportunity whereby to earn a regular income sufficient to maintain a decent standard of living. This involves a decent habitation and leisure time in which to cultivate the life domestic, time for parents to be parents, time for husbands and wives to learn of each other. It involves also the protection of childhood against exploitation and delinquency. Surrounding all these there must be an environment of law and public opinion which will secure to every member of every family the rights of personality and the opportunity to participate in all the community has to offer through its institutions and various social groupings, political, industrial, religious, and so forth. Sound physical and mental equipment, health, education, property, leisure, and free opportunity for self-expression — these are the essentials for the flowering of democratic family life.

How close do we measure up to these requirements or what are the prospects of realizing them? Anybody who is familiar with twentieth-century American social conditions knows that we do not measure up to them. He also knows

that under pressure serious attempts have been long under way to overcome the hindrances to that full realization. An intelligent policy of reconstruction should aim at relieving most or all of these handicaps — and there are at least half a score of them.

**Defects in the educational system.** Take first the handicap of education. Seventy per cent of our soldiers in the recent War apparently never passed beyond the sixth grade of the elementary school; three quarters of a million in the first draft lists were practically illiterate. The United States still tolerates nearly six million adult illiterates. Only ten per cent of the school population ever complete the high school; only a scanty one third finish the elementary grades; half never reach the sixth grade, and only one in two hundred completes a college or university course. Now political or industrial democracy resting upon a bare average of a sixth-grade education is unthinkable or at best a forlorn hope of stagnant mediocrity. Nor thus handicapped can family life be expected to rise much above the level of instinctive animality; on such educational terms neither intelligent parenthood nor citizenship can be expected to flower. Such a limitation excludes all possibility of rational training in sex hygiene, in how to care for children, how to discipline them, how to conserve them as social assets. From this standpoint, if from no other, reconstruction must strike to the very roots of our whole educational policy and should conceive it in national terms. Otherwise the family will continue as a begetting agency, but hardly as a positive progressive social unit.

**Health conditions.** Second, reconstruction can serve the democratic family by removing the handicaps to health. Army statistics have revealed in shocking terms the extent and menace of venereal disease. Of the one million draftees whose examination blanks first reached the Adjutant-Gen-

eral's office in Washington, three per cent had a venereal disease when they reported at camp. The civilian rate of infection appears to be fivefold that of the National Army. And the experience of military authorities in protecting our armed forces proves that it is not unreasonable to demand that any reconstruction program shall include provision for making sex life safe and sane in the average American town or countryside. Otherwise we must face a mounting stream of domestic unhappiness, divorce, sickness, and handicapped childhood. The methods to be used involve nothing untried or revolutionary, unless, indeed, the attitude of mind which insists that communities can be kept measurably decent be called revolutionary. Continuance and intensifying of the war against commercialized vice, continuance and intensifying of the campaign of education on behalf of youth will reduce two of the three great sources of prostitution. Against the third, namely, the lack of settled family life in frontier communities, among migratory workers, and wherever great disparity in the number of the sexes occurs, a series of measures can be directed on front and flank. A moderate policy of restricting immigration, particularly of the unmarried so-called "bird-of-passage" type, would contribute to both industrial organization and public health as they affect the family. Likewise a better organization of the labor market and a reduction of labor turnover in industry would stabilize both industry and the relation between the sexes, for the industrial wanderer would be encouraged to strike root in a favorable environment.

But aside from the social hygiene problem, the conservation of health requires that mothers be taught how to bear and to maintain healthy children. Child-bearing is a biological function, primarily, but child-rearing is a cultural process not conferred by instinct. Hence the need for a general system of private and public infant-welfare clinics,



agencies for prenatal care, and for safeguarding the health of married women and girls of marriageable age in industry and at home. The Federal Children's Bureau, State and municipal health agencies, the public schools, community centers, settlements, and perhaps the Red Cross, could be coördinated into an effective working force for these purposes.

**Better children, even if fewer.** Third, as the corollary to this educational and conservation program must be reckoned frank encouragement to sexual self-control. An autocracy anxious to maintain its position of advantage and to dominate by force must scheme to promote a high birth-rate and to suppress intelligent considering of reproduction. It will consciously or unconsciously encourage blind instinct, "optimistic fatalism," the policy of "be fruitful and multiply, for God will provide." Democracy, to the contrary, if it is to succeed, must put its faith rather in good than in large populations; it must encourage rational calculation; it must realize that "the policy of population for population's sake means brutality upon brutality," and that the old call to prudent people "to behave imprudently in the supposed interests of the race" is really a call to cultural suicide and perpetuation of barbarism. *Democracy can never thrive where men are cheap.* Nor will the rabbit theory of women and attempts to coerce women into needless child-bearing either conserve childhood or secure to women such a position in the household as will release their splendid potentialities for citizenship. Hence without accepting the vagaries of organized propaganda for birth-control, democracy in reconstruction will tolerate and even encourage the freest study and discussion of this whole problem of how to make men precious, if necessary by conferring upon them scarcity value.

**Adequacy of family income.** The fourth plank in such a

platform of reconstruction has to do with the fundamental basis of family life in property and income. Health and education and self-control are empty terms unless related very definitely to wealth. The prerequisite to either adequate family life or successful democracy is a certain decent minimum of prosperity. That is to say, both depend upon a rational standard of living and an income sufficient to insure that that standard shall go beyond the barest physical essentials of food, clothing, and shelter, and shall include certain marginal value such as insurance, care of health, recreation, provision for old age, vocational re-education or higher education, and participation in some form of free activity for community welfare. For these margins are what give value, meaning, and purpose to human life. Without them, whatever the nominal form of government, the family and the citizen are reduced to a slave status. The best objective measure of the significance of income to family life is a mortality table. The latest United States Census figures at hand show that the death-rate among the underpaid workers (laborers and servants) is 20.2 per 1000, nearly twice the rate among the mercantile and trading class, namely, 12.1 per 1000. The admirable studies of infant mortality in American towns carried on recently by the Federal Children's Bureau agree that in general the infantile death-rate is inversely proportionate to family income. In Manchester, New Hampshire, for example, families with incomes of less than \$450 per year lost one child out of every four, while families with incomes of over \$1050 lost but one in every sixteen. The burden of industrial accident falls heavier also upon the families least able to bear it, particularly when no accident compensation or only inadequate compensation is allotted. Irregular employment or under-employment compounds the disastrous effect of sickness, accident, and low wages.

The fact that about two thirds of the families in the United States are to all intents and purposes propertyless gives some measure of democracy's problem. For it is not only a problem of low family resources, but of the lack of social discipline which property would confer. Add to this the further fact that only a comparatively small fraction (eighteen per cent) of American families have an income sufficient to maintain what could in any truth be called "social efficiency" and that about 11,000,000 families still fall below a well-established level for maintaining reasonable physical efficiency. Until the pressure of war drove wages up temporarily nearly five million families were trying to live on an income of fifty dollars a month or less! There is no good reason to believe that their situation has been permanently improved by the sudden increase of nominal wages. Recall also that the average worker loses about one fifth of his working time every year through unemployment for reasons of sickness, accident, seasonal industry, strikes, crises, and other contingencies. Nor can it be overlooked that adequate provision for the worker who becomes handicapped through old age, accident, sickness, or failure to keep up with technical advances is so far much more a hope than a fact.

These facts point to certain policies, namely, the need for increasing recognition of a legal living or minimum wage, for a more adequate system of accident compensation and other forms of social insurance, for the extension of the principle of vocational rehabilitation of war cripples to the industrially maimed and handicapped, for unemployment insurance, and the organization of the labor market through a nation-wide extension of effective labor bureaus under Federal patronage and coördination.<sup>1</sup> In the light of such a program democracy will resort to mothers' pensions or child labor only as a makeshift or as a confession of failure.

<sup>1</sup> These measures are more fully discussed in chapters XIII and XIV.

**Desertion and non-support of families by men.** It is perhaps not wide of the mark to add that the experience of Red Cross Home Service and the War Risk Insurance Law points to a need for more effectively compelling men to provide for their family obligations. The War Risk Law provided for compulsory allotments to dependents, with the result, as many wives testify, that for the first time in their married life their husbands contributed regular support. The signing of the armistice and the prospect of demobilization were a sad blow to these families. It must be said, however, that the Red Cross has been able through its Home Service to knit together many families through a friendly follow-up of the lead established by the compulsory allotment scheme. All of which hints that the proposal for uniform marriage and divorce laws throughout the United States should include some uniformity of treatment for desertion and non-support.

**Women in industry.** The problem still remains of how to insure something more than a bare legal minimum wage with its meager standard of living. At the top of such measures must be placed the right of the workers to organize peaceably and without interference for collective bargaining. This concerns the family no less than industry, and it involves women as well as men. But, in addition, does the pressure for better income mean the permanent retention of women in industry? And how will women's entrance into industry affect family life? Will it "penalize marriage"? It will certainly penalize marriage as a trade, but it need not destroy marriage and family life in their best sense. The time is long past when we can profitably debate woman's right to go into industry. She is there to remain. The problem is to prevent her exploitation, to conserve her health, to give her time for home life, and to pay her adequately. Whether she is to receive "equal pay for equal



work" depends upon whether she remains long enough at her work really to produce equal work, or whether the gainful occupation is only a challenge, a dare, or an episode before marriage. It is too early to pronounce dogmatically on these points. It may be that coöperative housekeeping, alternating half-time shifts for both men and women in industry, a new system of household instead of factory production, a lengthened school day, an all-the-year school, or other experiments will be tried out on a much larger scale in order to overcome the "adventitious character of woman" and to allow her legitimate economic self-expression. In any event, democracy must sympathize with these aspirations and be patient with the experiments.

**Child labor.** Meanwhile we may be perfectly certain that child labor can never permanently serve to increase family income or build up a sturdy citizenry. Yet America still tolerates nearly two million child workers, eight hundred thousand of them wage-earners from ten to fifteen years old! Federal limitation of child labor should be enacted immediately; and as early as possible the lower age limit should be raised to sixteen with provision for part-time continuation education on a sliding scale until, say, majority. It will be entirely practicable for the public schools, the playgrounds, and such agencies as the Boy Scouts or the Junior Red Cross to give to children that vocational training and that habituation to helpful service which employment in industry has been fallaciously supposed to confer. The child captain-of-industry is a spectacle no democracy can tolerate and live. For it nullifies absolutely all the other conditions which we have set down as basic to decent family life.

**Revision for leisure.** The fifth plank in this platform derives from the fact that every great contribution to social advance and the amenities of life has grown out of leisure and leisure activities. Democratic citizenship and parent-

hood depend equally with the fine arts upon surcease from the grind of depleting toil. This, in fact, whether consciously or not, has been the driving conviction which is enlarging the charter of human liberties to include the right to a minimum of leisure. An excessively long working day makes an absentee and inefficient parent. One of the tragic situations revealed by the famous Pittsburgh Survey was the breakdown of family morale due to the twelve-hour, seven-day-a-week shift exacted in the steel industry. Men came from their work too tired, too broken in spirit to be able to act as fathers or husbands. Their children, seen usually only asleep, were almost strangers. They served merely as begetters and bread-winners. They were worn out before their time, "scrapped" often at forty, to become a charge either upon public charity or upon the earnings of wives and young children. Leisure for thought and recreation, it cannot be too strongly urged, is absolutely essential as the antidote to despondency, irritability, parental irresponsibility, and sexual preoccupation. It is idle to urge men to sexual self-control so long as no time or opportunity is offered for the creation of rival interests to sex and alcohol. Hence, the recognition of the eight-hour day and the six-day week as a maximum standard for all but extraordinary emergencies is an indispensable part of any move for improving family welfare.

**Good housing.** Next, the citizen's bill of rights for a progressive democracy includes the right to a decent habitation. I think it was Walter Rauschenbusch who linked theology to scientific housing and city planning by declaring that morality is a matter of square feet. But in America public concern for the housing of its people has been slow to awake. Cities provide cages for their zoos, and bird houses in the parks, but stand paralyzed when confronted with a demand that they prevent sickness, child delin-

quency, and adult immorality by promoting decent human housing. Family decency cannot thrive in cellars or filthy tenements or where the house is overcrowded by the presence of numerous "lodgers." The virtues of family life and the personality of members of the home demand some measure of privacy; privacy to cultivate one's independence and sense of order or property; privacy as a defense against the aggressions of bestiality. The number of young girls started on a course of sexual immorality by members of their own family or by lodgers compels heed to this problem. Labor leaders are fully aware of it. John Mitchell long ago demanded that the ordinary unskilled American workingman's standard of living should include "a comfortable house of at least six rooms, including a bathroom, good sanitary plumbing, a parlor, dining-room, kitchen, and sufficient sleeping-room that decency may be preserved and a reasonable degree of comfort maintained." It must in all candor be confessed that America has not come within hail of this modest standard and is at least a generation or two behind every one of our Western Allies and even of our enemies from the standpoint of public interest in housing welfare. The War ended before our Federal housing plans for munitions workers could be carried through or made the point of departure for a rational housing policy. But reconstruction cannot afford to overlook the need for municipal housing, or State building-loan funds as demobilization public-works projects, nor for attention to the facilitation of home ownership as an antidote to destructive revolutionary movements. The destructive agitator is the houseless, homeless man without a stake in life, a menace to decent family life as well as to orderly society. Conversely, home ownership contributes to family stability if looked at only in terms of the death-rate; for it is pretty well established that as home ownership increases mortality diminishes.

**Recreation.** Even with the best of housing there is no apparent prospect for restoring to the average home the recreational center of gravity which has been rapidly shifting outward. Hence both demobilization and reconstruction must include the factor of recreation in their programs. This is primarily a community problem, perhaps, but certainly a vital family concern also. One reason why compulsory military service created so little resistance in pacific America was that the Army had been made safe for husbands and sons; safe, because the various war welfare agencies, backed up by governmental authority, carried through a magnificent positive recreational program in both camps and camp communities, while repressing saloons, brothels, and other noxious centers toward which communities had too long by neglect allowed its youth to gravitate. In plain English the question which is going to be put to those charged with community welfare is this: If clubhouses and home hospitality, organized recreation and systematic provision of decent amusement to outbid the indecent are approved means for maintaining the morale of democrats in khaki and sailor blue and for returning them clean and healthy to their families, why are they not equally good for those same democrats and their brothers and sisters in the coming years? There is but one answer. Communities will find that systematic and generous provision for wholesome public recreation is one of the best insurance policies against the menace of casual migratory labor, Bolshevism, poisoned race stock, and family tragedies; likewise the means of completing by positive measures the work of community protection, of which the negative side has already been achieved through nation-wide prohibition. They must at the very least assume such a measure of encouragement on the one hand and control on the other as will assure that when members of a family seek recreation outside the

home at theater or concert, settlement or social center or playground, they will not only not be injured and driven apart, but will actually find the stimulus to a healthier, decenter, and more productive life. It is obvious that such an ideal touches at one end the whole industrial organization, and community protection of childhood against exploitation, abuse, and vice at the other. Moreover, the rate at which the plans of War Camp Community Service and other organizations are being converted to peace-time purposes proves that this is not a Utopian demand, but a common-sense recognition of democracy's needs.

**Democracy in the family itself.** Finally, successful political or industrial democracy requires an equivalent democracy in the family. If the home is in any real sense to aid in social education for a democracy, it must itself become a veritable laboratory in democracy. That means in particular that whatever vestiges of tendency to subordinate woman have been tolerated by Church or State or industry must be cleared away, and that every member of the family shall be recognized as having certain inalienable rights to personality. It is significant that in the current speech of the formidable autocracy which has just crashed down in defeat wife and child are still *things* (*das Weib, das Kind*). Hence one does not need to subscribe to revolutionary feminism to write equal suffrage and equal rights to property, vocational choice and guardianship of children for women into democracy's reconstruction platform. And in reiterating the rights of children to decent care and protection from every form of abuse in the home, equal emphasis must be placed upon the necessity for discipline and exaction of responsibility from children. Democracy has no use for sentimentality or soft pedagogy. Democratic opportunity is won at the price of cultivating a sense of social responsibility in the average citizen. From some source

or other the child must get this training. Given the favorable conditions we have outlined, the home ought at least to begin such training. If it fails, then the community for its very existence will be obliged to do the job through schools or other agencies.

These, then, are the conditions, explicit or by implication, under which home and family may be expected to contribute to the mighty work of making democracy in America a fact as well as a word. They are also the conditions under which family life itself may be stabilized. It must have been noted that we have said nothing about the breaking-down of family and social integrity through divorce. For the simple reason that by promoting these conditions we eliminate many of the causes of divorce and are not reduced to the barren expedient of stiffening divorce laws. There is no inherent reason for coupling divorce and democracy so long as democracy is conceived as discipline, increasing social capacity, and loyally accepted responsibility. If, on the other hand, it be confounded with license and *laissez-faire* family degeneration is inevitable.

Not all the parts of this program are equally realizable nor at an equal rate. Still they are not in the least, either severally or as a whole, a counsel of perfection. The demand for a decent living wage, a decent habitation, insurance, education, conservation of childhood, protection of women and children in industry, political equality — these are all the fruitage of a whole century of democratic tendency. They have been slowly maturing, some of them are beginning to flush. They need only the warming encouragement of the reconstructive temper to ripen into full perfection for the strengthening of our country in the days to come.

## VI

### DEMOCRATIZATION OF INSTITUTIONS FOR SOCIAL BETTERMENT

EDWARD CARY HAYES

**Democratization.** Democracy is organization designed to serve impartially the interests of all who participate in the organization, as contrasted with organization designed to serve primarily the interests of the ruling class. This definition applies to any organization great or small, to a school or a factory, as well as to a nation.

It is necessary for an organization to have a ruling class. If there is to be team work in a football squad, there must be leadership; coach, captain, manager, quarterback share this responsibility. The same is true of a school, a factory, a nation. The members of the ruling class may be chosen by the majority, and be removable by the majority whenever they do not satisfactorily discharge the duties assigned them. This power of selection and removal does not in itself constitute democracy, but it supplies a condition favorable to democracy. There is not complete democracy if any of the important institutions of the organization are undemocratic.

**Institutions.** An institution is a mode of action which has been adopted by the will of a group as its way of doing something that it regards as important.

An institution is a purely psychic thing. It exists in the minds of a people. The county court-house is not an institution. If the court-house should burn down the institution of the courts would not be destroyed; that institution would

remain in the minds of the people of the county, ready to rebuild the building which it used. An institution is made up of ideas and sentiments that have crystallized into volition. Institutions differ from one people to another and among the same people from age to age. Any way of doing an important thing that is within the bounds of physical possibility may become an institution, provided only it becomes the will of the people who are to do it.

Unlike fashions and mere customs, institutions are ways of doing things that have been *rationaly chosen*. Every institution includes two practical judgments shared by the people in general who practice or enforce it, namely, the judgment that the thing to be done is important and the judgment that the particular way of doing it is right.

Institutions never change from mere love of change, but only from some degree of conviction that the change promises practical advantage. By practical advantage I do not mean financial advantage alone. The advantage may be in health of body, peace of mind, stability of character and of personal relationships, enjoyment of art or play, or satisfaction of intellectual interest.

Institutions do not resist all change as mere customs do. They may even welcome change if the popular judgment is that change would bring practical advantage.

Institutions may be divided into four general groups: (1) economic institutions; (2) domestic institutions; (3) political institutions; (4) cultural institutions. The fourth term is vague. The family, which is a domestic institution, at its best is also the greatest of all cultural institutions. The school, the press, the church, the moral code, art, and certain forms of play must be included as cultural institutions if we are to content ourselves with dividing institutions into only four groups.

Institutions of all these four kinds are alike in that



they all include the two forms of practical judgment just mentioned, and all resist or welcome change in the ways described. They are alike not only in having these peculiarities in common with each other, but in having certain additional peculiarities in common not only with each other, but with fashions and mere customs, and with all the activities that constitute the social life. For example, (1) they are all psychic activities (2) that manifest themselves in overt conduct; (3) that are not peculiar to any one person, but with minor variations are common to many; (4) that are by no means original to the individuals who carry them on, but (5) are derived by social suggestion of ideas, sympathetic radiation of sentiments, and imitation of overt conduct, either critically selected from among competing ideas, sentiments, and modes of conduct, or, more frequently, uncritically adopted because of the prestige of parents, teachers, companions, "authorities," "everybody," etc., and then clung to and defended with the best show of reason available; and (6) they have been developed into their present form by a long process of social evolution in which individual invention here and there plays its essential part, but in which invention itself is conditioned by many causal factors, by geographic conditions in ways not likely to be dreamed of without special study, by the artificial physical environment, by the hereditary or acquired biological traits of the individuals who make up each society and above all by the preëxisting social activities. This is only the barest mention of some of the common traits of all those activities which we call *social*.

**Social betterment.** Social betterment is itself a democratic concept. It is a modern phrase and stands for the modern aim — for the purpose of democracy. It means securing good conditions of life for all by the combined efforts of all.

It does not mean that there is such a thing as the happiness or welfare of *society* apart from the happiness or welfare of the individuals who compose society. Society has neither consciousness nor will, happiness nor misery, apart from the consciousness and will, happiness and misery of the individual members of society. When we speak of social consciousness, or social will or social happiness or social misery, we mean the consciousness, will, happiness, and misery of the individuals in society considered in their totality and interrelationship.

The concept of social betterment as the aim of democracy contains two essentials: First, *regard for the happiness or welfare of every member of society*. The fulfillment or blighting of every life counts in shaping our policies and our endeavors and counts for exactly what it is, whatever the social position of the individual affected. Therefore, so long as one child grows up under such conditions that he does not have a fair chance to realize the possibilities of good human experience with which he was endowed, the call to social betterment is heard. Second, *realization that life is a co-operative enterprise; it is team work*. Each member of society is primarily responsible for himself and those of his immediate group, but he is also responsible for the general welfare of society. He is responsible, whenever some interests must be sacrificed, to choose the course which if generally adopted would create and maintain the social system that would result in the greatest net total of good human experience. The real dignity of labor and of the inspiration of a truly human life, is in the fact that each individual pursuing his own interests in due measure, can also be a vital part of a general system of activity upon which the welfare of all depends. The organization of life into such a system is the purpose of democracy.

The power available for social betterment. There are

three kinds of power that may be employed in establishing and maintaining social organization: *physical* power, *economic* power, and the power of ideas and sentiments, or *psychic* power. Each of the three is available for the purposes of either democracy or tyranny. However, the first is best adapted to the purposes of tyranny, the third to the purposes of democracy.

Democracy first made its attack upon the tyrannous use of physical power which is represented in the soldier's bayonet and the policeman's billy. In our country this is the form of power the misuse of which we have least to dread. Democracy is now engaged in efforts to curb the undemocratic use of economic power and to secure the use of economic power for the good of all. Bargaining power is a form of might that is no more certain to make right than physical power. Bargaining power would make right if it depended wholly on the utility of the commodities offered. But it does not; it depends also (*a*) on scarcity and (*b*) on organization. Common labor, just because it is common and not scarce, has not bargaining power proportionate to its utility. This can be modified by organization; those who are in a position to control any essential factor in the organization of industry can stop the whole process. The threat to do so confers bargaining power. It confers greatest power on those who suffer least when industry is interrupted. In modern society economic power is more in need of control than physical violence. To shape economic organization, not in the interest of the organizers, but in the interest of all concerned, is the most conspicuous present problem of democracy. The problem of the seventeenth and eighteenth centuries was to overthrow a tyrannous military aristocracy without the permanent sacrifice of social order. This problem our fathers solved. Our immediate task is to democratize

economic organization without the permanent sacrifice of productive efficiency. We may reasonably expect that organization of manufacture and trade in the interest of *production*, rather than as now in the interest of *acquisition*, will greatly increase efficiency, so much so, in fact, that increased production may do as much for social welfare as juster distribution. The democratizing of social institutions will not be accomplished until the third form of power, the power of ideas and sentiments, is democratized, and the institutions for developing and spreading ideas and sentiments are democratically organized. These institutions include the family, the press, the school, and the church.<sup>1</sup>

Ideas and sentiments compose the ultimate and supreme form of power in society. It is nothing less than *the life* of society. It can command both physical and economic power as its servants. The triumph of democracy depends ultimately on the development of public opinion that is adequately intelligent and public sentiment that is adequately socialized. The development of such public opinion and public sentiment is a problem in organization. Whether democracy — that is to say, whether human society considered as a whole — can succeed or must continue largely to fail, depends, therefore, upon only three things: first, can public opinion become sufficiently intelligent? second, can public sentiment become sufficiently socialized? and third, can public activity be sufficiently well organized? Possibly with any one of the three given in full measure we should be sure of the other two. The difficulty arises from the fact that the three must progress together while not one of the three is complete. *Organization*, the condition upon which democratic opinion and sentiment, and their execution, depend, is *the primary concern* of democracy. Organization,

<sup>1</sup> The theater may become institutionalized when society becomes intelligent enough to realize and utilize its power.

devised and maintained with unbiased regard for the interests of all the participants, is the very definition of democracy. Organization itself in its most important aspect is a psychic reality, an interrelation between the ideas and sentiments of men, their mutual agreements and confidences, and their expectations of the supplementing of the act of each by the acts of his associates. The external phase of organization is only the expression in speech and conduct of these psychic facts. Psychic power, not military and economic power, is the only ultimate power in society. The overthrow of military aristocracy was only the first step toward democracy. Democratic economic organization is the second. Democracy will not actually have arrived until we have taken the third step — democratic organization of the activities for the development of opinion and sentiment.

Psychic power is not a new element in social organization; it has always been the life current of society. The earliest triumphs of democracy were expressions of the common will of many. And even tyranny itself has not been able to depend long upon physical power alone. The orator and story- (or history-) teller, the medicine man and the priest, have been about as essential as the soldier to even the crudest tyrannies. It is because *established custom consents* that tyrannies endure. Tyrants have learned to appeal to many instincts of human nature, especially to the instinct of partisanship, which under the name of patriotism has bound populations to the fortunes of dynasties. It is almost as necessary to understand the nature of tyranny and tyrannous organization as to understand democracy and democratic organization. Wise tyranny takes good care of the goose that lays the golden eggs. A wise tyrant will prefer to rule over a rich people rather than over an impoverished people, just as a wise employer will prefer a labor force that is healthy and cheerful. Tyrants are often benevolent.

By nature they have on the average as much benevolence as other people. They take real satisfaction in the welfare of their underlings up to the point where their interests conflict. They usually have a clear conscience, or one only slightly troubled, for they inherit the existing organization from the past, they did not create it; they believe that the disorders incident to change would more than offset any improvements that change might bring; they believe that the advantages they enjoy are justified by the services they render and by the inherent inferiority of the masses of mankind. Rulers are usually urbane, and very often charming; in them the gifts of nature have been supplemented by every cultural advantage that money can secure. Progress does not depend upon hating them, but upon the organization of constructive opinions and sentiments.

**The press.** We now see that democratizing social institutions means organizing ideas and sentiments into a democratic will, a will that translated into conduct constitutes a system of activities adapted to promote impartially the interests of all the participants. It is obvious that in the creation of such a democratic will the press is an agency of incalculable importance. Democracy on a great scale would be impossible without the press.

The first attempt to print news at regular intervals in America was made in Boston in 1690. The Governor and Council suppressed it after the first issue, on the ground that it meddled with things that were above the populace, contained "reflections of a very high nature." They forbade "any person or persons for the future to set forth anything in print without license first obtained" from the Government. The Governor of Virginia had received royal instructions to "allow no person to use a printing press on any occasion whatsoever." The clergy, in defense of their monopoly as an agency for molding public opinion

united with the political authorities in opposing the establishment of newspapers.

The first newspaper regularly published in America, *The Boston News Letter*, "Published by Authority," edited by John Campbell, issued its first edition April 24, 1704. It was printed on both sides of a sheet  $7 \times 11\frac{1}{2}$  inches. On one occasion it regretted that it was "thirteen months behind in giving the news from Europe." Its news was copiously interspersed with religious comments. It may well have been "published by authority," for it was so loyal to the English Government and so hostile to Washington and other Revolutionary leaders as finally to die in 1776 for lack of support from the public of New England impatient of Tory influence.

In 1720 James, the elder brother of Benjamin Franklin, began the publication of *The New England Courant*, although "dissuaded by some of his friends from the undertaking as not likely to succeed, one newspaper being in their judgment enough for America." *The Courant* came into conflict with the clergy and the civil authorities and James Franklin was ordered to discontinue its publication. This resulted in its being carried on by his brother Benjamin.

The first newspaper in the middle colonies appeared in Philadelphia, December 22, 1719. It was issued by Andrew Bradford. Like other colonial editors he had his troubles with the civil authorities. He was summoned before the Provincial Council and warned never to publish anything about the public affairs of any of the colonies. The popularity of his paper appears to have been greatly increased by the fact that he was sent to prison. This imprisonment was due to publishing letters from Benjamin Franklin which deeply offended the Governor and Council by merely insisting that those in authority should be inspired by public spirit and love of country.

The first newspaper printed in New York, a single sheet of four pages, appeared November, 1725. Its publisher was "printer to the province of New York" and the paper a Government organ. In 1733 a rival began to appear. It was liberal in tone and representative of popular opinion. On November 25, 1734, its editor published the following apology for the non-appearance of the issue for the preceding week:

To. All My Subscribers and Benefactors Who take My Weekly Journall.

Gentlemen, Ladies, and Others.

As you last week were Disappointed of My Journall I think it Incumbent upon me, to publish My Apology which is this. On the Lords Day, the Seventeenth of this Instant, I was Arrested, taken and Imprisoned in the common Gaol of this Citty, by Virtue of a Warrant from the *Governour*, and the Honorable *Francis Harrison, Esq;* and others in Council of which (God Willing) yo'l have a copy whereupon I was put under such Restraint that I had not the Liberty of Pen, Ink or Paper, or to see, or speak with People till upon my Complaint to the Honourable the Chief Justice, at my appearing before him upon My *Habias Corpus* on *Wednesday* following. Who discountenanced that Proceeding and therefore I have since that Time the Liberty of Speaking through the Hole of the Door to My Wife and Servants by which I doubt not yo'l think me sufficiently Excused for not sending my last weeks *Journall*, and I hope for the future by the Liberty of Speaking to my Servants thro' the Hole of the Door of the Prison to entertain you with My Weakly *Journall* as formerly.

*And am your obliged*

*Humble Servant*

*J. Peter Zenger.*

The Zenger trial and freedom of the press. Later, because of a justified attack upon an arbitrary and corrupt colonial governor, Zenger was arrested for seditious libel. He had the sympathy of the jury, who asserted the right to judge the law as well as the evidence and reversed



the ancient maxim, "the greater the truth the greater the libel," and "for the first time in the world's history the freedom of the press, so far as such freedom was consistent with public rights, was established." Gouverneur Morris said that this verdict was "the dawn of that liberty which afterward revolutionized America."

For a time after the success of the Revolution the press of America was free. Violent disagreements between the colonies gave a great impetus to newspaper activity. Presently these disagreements gave way to debates on the proposed constitution, which divided the papers of all sections of the country into two groups. One of the chief influences that secured the adoption of the Constitution of the United States was the publication, by *The Independent Journal* of New York, of eighty-five essays under the general caption "The Federalist," and signed "Publius," but written by Alexander Hamilton, John Jay, and James Madison.

*The National Gazette*, personal organ of Thomas Jefferson, in 1792, rendered a distinguished service to democracy in changing the policy of the Senate so that its regular sessions were no longer held behind closed doors.

The papers more or less abused their new liberty. They were very influential, but descended to vituperation that was not only fierce, but at times coarse and revolting. The first amendment to the Constitution guaranteed the freedom of the press, as did the constitutions adopted by several of the States. Nevertheless, the violent partisanship of the newspapers invited the passage of the "Alien and Sedition" laws of 1798, under which a number of editors were jailed and fined.

**Partisanship of the press.** During this period there developed a condition which has ever since been an enormous hindrance to the usefulness of the press as an organ of democracy. The newspapers, instead of making any effort to

maintain a judicial attitude and present the facts without bias, and arguments by representatives of both sides of great issues, became party organs and advocates. And the people, by subscribing only to the organs of their own party, deepened their prejudices, perverted their judgments, and shut themselves out from judicious balancing of the merits of men and of policies.

The following extract illustrates well the kind of manipulation which the press has long been able to exercise:

The way party organs controlled politics in New York was fairly typical of that in other States. The political leaders would have a conclave at Albany at which they would decide upon a man to run for governor. Some little party organ in a rural section would then be selected to be the first to suggest the fitness of such a man for the position. The suggestion would then be taken up by other rural organs in various parts of the State. Such a nomination would be warmly seconded, even though coming from the rural sections, by the party organs in the "upstate cities." The chief party organ at Albany would then sum up the situation somewhat as follows: "From all over the State comes a unanimous demand for the nomination of ———. While he is not the first choice of this newspaper, there seems to be such an overwhelming demand that the paper is forced to yield to the will of the majority. He should get the nomination and should receive the loyal support of every member of the party at the coming election." A cut-and-dried editorial in praise of the man would then be inserted in the Albany organ. This editorial would then be reprinted with other kind words of commendation by all the party organs of the State. The party voter, thus convinced of the universal demand for the man as governor, would promptly fall in line.<sup>1</sup>

Deliberate manipulation by the party press and "personal organs" of both political and financial issues has by no means been confined to the earlier days of American journalism.

As late as 1804, when *The Argus*, of Portland, Maine, undertook to publish the most liberal Jeffersonian views in

<sup>1</sup> James Melvin Lee: *History of American Journalism*, p. 149.

a stronghold of New England conservatism, its editor, upon some pretext of legality, was for a considerable time jailed — a fact which greatly increased the circulation of his paper. A test of the fitness of a people for democracy is the readiness of an aroused majority to respect the right of a minority to freedom of discussion. *It is only by freedom of discussion that democracy can survive and progress.*

**Anti-slavery press — Penny press.** The first abolition newspaper, *The Emancipator*, was started in Tennessee in 1820 by the son of a Quaker preacher who had emigrated from Pennsylvania. Ten years later William Lloyd Garrison began to publish *The Liberator* in Boston.

The first penny newspaper to make a great success was *The New York Sun*, in 1833, when the standard price was six cents. Several of the penny papers which then sprang up, including James Gordon Bennett's *New York Herald*, were not party organs as the older and more expensive papers were, but were largely an "independent press." They became the natural advocates of the interests of the common man. The new price greatly extended the newspaper trade. No laborer was too poor to secure the information which these papers afforded and to feel their influence. They correlated well with the extension of compulsory education. They exposed corruption like that of the Tweed Ring and they advocated reforms. However, they were not free from the fault of "yellow" sensationalism.

In more recent times there has been much needed legal and ethical progress in protecting readers against immoral and fraudulent advertising. Some local papers still have much to answer for, and some "story papers" live by collusion with petty fraud.

The great dailies use their power in various forms of social service. They have freely promoted the campaigns of benevolent organizations. They have themselves raised

and administered "fresh-air funds" and "free-ice funds." They have maintained "health departments" in their columns, supplied "household hints," and lent a "helping hand" in divers ways. It is all the better if such things pay, and they do, for "the women are the purchasing agents of the American home," and it is the home paper that is the profitable advertising medium.

During the last quarter of the nineteenth century a revolution in the newspaper business was in progress. The money expended in gathering and printing the news was vastly increased. More numerous foreign correspondents, telegraphic service, swift and costly machinery, numerous and bulky editions increased the cost and made the business of conducting a metropolitan daily a great commercial venture involving large capital. The days were past when a gifted youth writing on a dry-goods box in a basement could start a New York daily and hire a job printer to get it out. At the same time the price of the large and costly dailies fell, in general, to one or two cents, except for the still bulkier Sunday editions. This was accompanied by a very great increase in the amount of advertising. The papers came to depend directly for their income more upon advertising than upon subscriptions. However, indirectly they depend also upon the subscriptions, since the profitableness of their advertising depends on the extent of their circulation.

**Press now capitalistic.** The great outlay of capital now involved in the publication of a daily has an important bearing upon the democratization of the press. As a result, the purveying of news and molding of public opinion by the great daily papers becomes a function of the rich. The democratization of economic organization is admittedly the stage of progress that now confronts us. Since ideas and sentiments are the power on which democratization must depend, it is a matter of the gravest significance,

thus to place one of the two<sup>1</sup> greatest agencies for the molding of opinion and sentiment in the hands of the economic class that is interested in maintaining the existing situation. This is not accusing the owners of the great dailies of deliberate unfairness; it is only stating the fact that they are interested parties in the great discussion now in progress. In every society members of the class that is possessed of wealth and power have a conservative psychosis which is the natural consequence of the influences by which their whole life is surrounded and of the forms of prestige to which they defer. They are in general either unconscious of this psychosis or tend to regard it as the only sanity. There are nevertheless individuals who possess a sanity so broad and deep and who have received an education so varied as to escape from class bias. The noblest liberals are those who have escaped from class limitations and understand both radicals and conservatives.

Now that a daily newspaper has become a great commercial enterprise, involving large capital and requiring expert business management of its complicated affairs, the editor can no longer be the manager as well. As a rule the editor is an employee who must do his work in a way that is satisfactory to the business management. Much has been said about the slavery of editors, about the dictation of the policies of papers by their owners and managers so that the editors must write according to this dictation even when it is directly opposed to the convictions of the editors themselves. There is no ground for thinking that newspaper owners are less idealistic than other business men. They cannot be unaware that they have assumed a colossal responsibility. Some of them bear this responsibility in a spirit of devotion to high standards. Some of them do not.

<sup>1</sup> As the second I have in mind the school, including the university, which finally determines the character of all other schools.

Whether the exercise of so essential a function and so vast a power ought to be exclusively a commercial enterprise is a question worthy of consideration.

**An endowed press.** The *endowed* newspaper might be controlled by standards as high as those of the endowed college. Evidence that the endowed newspaper is feared may be seen in the extravagant statements made about its alleged impracticability. In 1912 the City of Los Angeles, California, established a weekly *municipal* paper. Special columns were set aside for the unrestricted use of each of the political parties. The mayor or any member of the city council could use half a column in any issue to defend his policies or expose any proposal of which he disapproved. A page was devoted to the interests of the pupils in the schools. Sixty thousand copies were put into the homes of the city at a cost of about a thousand dollars a week. There was no telegraphic news and no discussion of state or national questions. Publication was discontinued because of the expense. The paper was distributed absolutely free, and appears to have been boycotted by the large advertisers, particularly the department stores.

No democracy could tolerate any form of monopoly of the newspaper business. The cost of maintaining great dailies may make that class of papers a function of "the capitalistic class," but the freedom of the press implies the liberty of all citizens and classes to issue such papers as they can pay for. We have a great number of publications devoted to the interests of every scientific specialty, of every trade and profession, of every sect and of every minor party, too poor to control the greater dailies, but not too poor to have its organs.

An important step in the democratization of the press would be a law requiring that every regular publication should not only certify to the postal authorities, as now,

but also print, the names of its owners, so that the people may know who is speaking. After all it depends upon the people to recognize the character of the journals they read. A sufficiently intelligent democracy could insist that every great daily should be a forum for publishing signed articles on both sides of every great issue, and that the highest duty of the press is to preside fairly at such balanced discussion of public questions. Development of a professional ethics of the press having this requirement would be one of the most significant of reforms.

**The Church.** The separation of Church and State was an American innovation, a departure from all the precedents of history. The Church had profited by the material support and authority of the State, and the State had profited by the docility and loyalty inculcated by the Church, which taught that rulers are the "anointed of God" and that each man should "be dutiful and obedient in his lot and station." Men loyal to both religion and government prized a relation by which they were mutually strengthened.

The separation of Church and State was not accomplished at the outset of American history. The colonists brought with them the ideas on this subject that had been universal in the Old World. The liberty of conscience which they sought was liberty for their own consciences, not for the consciences of men who differed from them. And if they fled from government that enforced uncongenial religious views, many of them saw no incongruity in founding a government designed to enforce the religious views which they held to be true. Roger Williams was more than a century ahead of the colonists in general in his declaration that there is equality before God, and should be equality among men, for all who with a sincere conscience follow such light as is given them.

This principle of complete religious freedom is profoundly different from mere toleration, which, while supporting a preferred form of religious profession and observance, for the sake of keeping the peace refrains from interference with other forms which are regarded as erroneous and inferior. The colonists in general, like the world in general, had not arrived even at the level of religious tolerance. "The time was," said Lord Stanhope in 1827, "when toleration was craved by dissenters as a boon; it is now demanded as a right; but the time will come when it will be spurned as an insult."

**Colonial Virginia.** The laws of Sir Thomas Dale, governor of Virginia, on the subject of religion far surpassed in severity the similar legislation of New England. To speak impiously of the Trinity or of one of the Divine persons was punishable with death, as were various other religious offenses. Death was the penalty for a third offense of Sabbath-breaking. Every person who came into the colony was to repair to the minister for examination in faith; for a third refusal to do so one was to be "whipt every day till he makes acknowledgment." If the religious laws of Virginia were nominally more ferocious than those of New England their enforcement was usually much more lax.

Until 1642 the governor claimed the right to appoint the minister of every parish. Fifty years later effort was made to restore to the governor that power, but its exercise by the parish vestries was by that time established custom. This was the first step away from Government control of the Church, and in the direction of religious liberty. However, under Governor Berkeley the vestry of each parish was made a self-perpetuating close corporation with power to levy taxes and to make the position of heretics hard. Unlike New England the southern colony was ill-supplied with suitable material for filling the ministerial office. Un-



fit adventurers were often installed with scandalous consequences.

The Church in early Virginia did not become liberated so rapidly as that of the mother country for lack of the vigorous pressure of dissenting sects which in England loosened the hold of the Established Church upon the Government. The Toleration Act of William and Mary was most grudgingly recognized by the colonial legislature. It was by an exceptional clemency that early in the eighteenth century a few Huguenot and Lutheran parishes were exempted from church dues and left free to pay the minister of their own selection. In 1710 Governor Spottiswood<sup>1</sup> wrote: "This government is in perfect peace and tranquillity, under due obedience to royal authority and a gentlemanly conformity to the Church of England." In 1722 there were instances of prosecution for absence from divine worship, and of whipping for child baptism not according to the forms of the Established Church. And it was not until the time of the Revolution that general exemption from church rates was granted by the legislature of Virginia.<sup>2</sup>

**Colonial Massachusetts.** Allowing Virginia to stand as the representative of the Church of England in the colonies, we turn now to the Massachusetts Bay settlement as representative of the Puritan history. The settlers of Massachusetts Bay Colony were not gold-seekers nor adventurers, but almost without exception deeply religious men of a high average of native force and intelligence, while "never since in the history of our country has the population as a class been so highly educated as during the first half-century of the Massachusetts settlements."

<sup>1</sup> Also written Spotswood. [*Editors.*]

<sup>2</sup> See Jernegan, Marcus W.: "Religious Toleration and Freedom in Virginia," in *Source Problems in American History*. New York, 1918. [*Editors.*]

These colonists set out for the deliberate purpose of constructing from its foundations an ideal commonwealth on a religious pattern, "a City of God." The conception of religious liberty had not formed itself as a part of their ideal. They proposed that in their Utopia all men should walk in a godly and orderly conformity to true doctrine as they apprehended it. Allowance of dissent and diversity was no part of their plan.

In the Massachusetts Colony Church and State were one and "all inhabitants liable to assessment for Church as for State." Such was the letter of the law until long after the American Revolution. A certificate of good and regular standing in a Congregational Church — or Church of the Standing Order — was an essential qualification for voting. The most pious Episcopalian, Presbyterian, or Baptist could not be a freeman. The civil government assumed power to determine who might organize a church, who be called as pastor, and who admitted to membership. Banishment, imprisonment, the pillory with opprobrious placard on the breast, whipping, boring the tongue with hot iron, were penalties enacted against non-conformity in doctrine and observance.

As in the case of Virginia so also in that of New England, religious liberty did not progress so rapidly as in Old England where the strife of sects was compelling mutual tolerance. The new royal charter of 1691, which merged the Plymouth and Massachusetts Bay colonies, gave tolerance to all save Catholics. But tithes for the Congregational Church continued to be assessed by civil officers in Massachusetts until 1833. In 1727, however, in imitation of a law earlier passed in Connecticut, it was provided that the tax collected from Episcopalians could go to an Episcopalian minister provided there was one within five miles. Later the same privilege was extended to Baptists and Quakers.

The settlement at Plymouth was never so arbitrary as that at Massachusetts Bay in attempting to enforce religious conformity and the first settlers of Connecticut left Massachusetts to escape from excesses of religious intolerance. Yet even in Connecticut the separation of Church and State was no part of the ideal originally adopted. No church of whatever sort could be founded without the consent of the general court. Money for the support of some church was collectible from each citizen as a civil tax, and church attendance was compulsory. The Saybrook Platform for the regulation of Congregational churches was enacted into law by the general court of Connecticut, but provided "that nothing herein shall be intended or construed to hinder or prevent any society or Church, that is or shall be allowed by the laws of this government, who soberly differ or dissent from the united Churches hereby established, from exercising worship and discipline in their own way, according to their consciences."

Rhode Island, Pennsylvania, and Delaware were the three colonies in which, from the beginning, there was more or less protest against the world-wide principle of union of Church and State. But the common notion that Pennsylvania, and its offshoot Delaware, stood for complete religious liberty is far from the truth. It was Rhode Island that was the incomparable leader in this movement, or more truthfully it was Roger Williams.

**Roger Williams and religious liberty.** Roger Williams was as zealous in his piety as any of the Puritans, a skillful disputant, and generous in his kindness even to those who persecuted him without mercy. He opposed the exercise of civil authority over the administration of church affairs, restriction of franchise to the orthodox, compulsory church attendance, a civil tax for the support of the ministry, and civil trial and punishment for heresy. His ideas

if given free rein would have been subversive of the whole theocratic experiment. Those who opposed him were as conscientious as he. But he was "the first among philosophers and Statesmen, since the day of Constantine, to proclaim the complete freedom of mind and conscience from all civil bonds." He succeeded in obtaining from King Charles II, a monarch ordinarily inclined to despotism, a charter which provided for "the first thoroughly free government in the world, where the State was left plastic to the moulding will of the citizen; the conscience at liberty to express itself in any way of doctrine and worship; the Church untrammelled by any prescription or preference of the civil law."

By the time of the Revolution the ideal of a theocracy, a City of God, so tenaciously cherished by the early settlers of Massachusetts, had been given up. There was still an established church supported by civil taxes. But no form of dissenting worship was proscribed and each believer could direct his tax to the church of his choice. The powerful influence of Jonathan Edwards in New England had tended to exalt the Church as a divine institution above all dependence upon the fostering State.

**Disestablishment in Virginia.** Meanwhile in Virginia there had been less progress toward religious freedom. Liberty had been granted to Presbyterians, but Baptists were beaten and imprisoned at the very time when the Continental Congress was about to assemble. Three fourths of the people were outside the Established Church and the limitations upon their liberties moved them to vigorous protests. The State Convention of 1776 received many petitions for protection in the various modes of worship, for exemption from church taxes, and the disestablishment of the Anglican Church. The famous Bill of Rights adopted by the convention contained a section (number

16), proposed by Patrick Henry and improved by Madison, which expressed the best conception of religious liberty that had yet been offered for acceptance outside of Rhode Island. The various perquisites of the Anglican Church in Virginia were reduced by succeeding legislatures. These changes were secured at the cost of what Jefferson describes as "the severest struggles in which I have ever been engaged." There was strenuous debate and many petitions were presented for and against a law providing taxes to support the Christian religion, but with a provision like that in New England that each taxpayer might designate the church to which his payment should go. Madison and Jefferson opposed this as an oppression of Jews and infidels. An act establishing religious freedom was drawn by Jefferson, and after lying on the table for six years was passed through the advocacy of Madison in 1785. This put into effect the principles of the Bill of Rights, and destroyed the last of the special privileges of an established church.

The Federal Constitution, on the theory of the sovereignty of each State over its domestic affairs, allowed the various religious restrictions and establishments that existed in the various States. In Massachusetts, as already noted, it was not until in 1833 that towns were discharged from all authority over the churches and civil taxes for religion abolished. To this day the constitution of Pennsylvania limits its guarantee of religious freedom to those who acknowledge belief in Almighty God and in a future state of rewards and punishments, and a statute making blasphemy a crime is still on the statute books of that State. The laws of eight States disqualify an avowed atheist from office-holding. Arkansas also makes him incompetent as a witness. These provisions and a few others like them are, however, dead and inoperative, mere vestiges of a former state of public

opinion. An established church would be unconstitutional in any State, and in no State can attendance on any form of religious service be enforced by law, or contribution to the support of any such service, or restraint be put on the free exercise of religion or on the free expression or promulgation of religious thought, provided that this freedom does not excuse acts of licentiousness or practices inconsistent with the peace and safety of the State.

Laws protecting the observance of one day in seven are based on physiological and psychological, and not merely on religious, grounds. The proclamation of days of thanksgiving and fast implies no legal obligation on any one, but is a practice to which some object, though it seems to have the approval of the great majority. Exemption of church property from taxation is defended on the ground that churches, like educational and charitable institutions, render services to the State. This exemption is criticized in some quarters, especially when the exemption extends to church property that is not used for religious, educational, or charitable purposes, but as a source of income.

**Church Coöperation.** Freedom of conscience in America was not merely forced upon each other by conflicting sects. It was largely an expression of the humanitarian idealism of such men as Williams, Jefferson, and Madison. But while this moral ideal was imposed upon the State in its treatment of the churches, it was not immediately adopted by the churches in their treatment of each other. During the last half-century, however, there has been great progress in this direction. The more intelligent sects have abated their claim to certainty upon points about which equally good men differ. Especially they have more and more distinguished the central purpose of Christianity to realize its standards of character and service from those matters about which Christians disagree.

This change opens the way toward more efficient coöperation in service, which is the condition that must be fulfilled if the Church is to perform its function as one of the institutions of democratic society. Protestant Christianity largely wastes its resources and largely sacrifices its opportunity through divisiveness. In country neighborhoods a variety of sects maintain pitiful rivalry and neither attract the ministers they need nor command the influence which a united church would wield. In the city, churches assemble for purposes of competition in the best residential quarters and leave miles of humbler districts feebly churched or not at all. Catholicism is free from this fault. It should be possible for Protestantism also to district the city into parishes, and to have behind the church which is located in the neediest section, as well as that in the wealthiest, the united force of the Protestant Christianity of the whole community. A step in this direction is being taken by the movement for "Church Federation." This plan allows each church in a village, or parish, to have its own clerk, records, and membership roll, and to forward its benevolent contributions to its own denominational board, while for local purposes all the churches in the village, or parish, unite in one organization.

**Philanthropy.** Progress toward democracy in this field cannot be epitomized in the history of our country; it is necessary even for our present purposes to take into account some of the main features of a longer development.

Primitive society is communistic. The savage is savage toward those outside his clan, but the gregarious instincts, sociability, and loyalty prevail within the horde. The Australian Bushman does not regard his game as his own, but divides it according to strict prescriptions of custom. The successful Eskimo distributes his surplus among his clansmen. Savages brought to civilized cities have been amazed

that in the same group some should be so rich and others so poor, and they have resorted to fantastic explanations for the anomaly. Our wide economic differences are highly artificial products resulting from elaborate organization.

Under the feudal system the poor were serfs and slaves. Economic differences were wide. They were largely the products of military organization. All organization implies leadership. And though, as individuals, many of the rank and file might be as strong as the leaders, yet the leaders derived from the fact of organization a power which no mere individual power however great could equal. Similarly to-day the fact of economic organization gives to the leaders power to amass wealth which as individuals they never could produce or acquire. The problem of democracy, whether under military or economic organization, is to retain the efficiency created by organization without allowing the fruits of that efficiency to be improperly monopolized by the leaders of the organization. In spite of the wide gap between the rich and the poor, so long as the poor were serfs and slaves, there was little charity in the modern sense. The serf was bound to the manor, but he was supported by the manor as of right and not of charity. As society became diversified ideally each man was still attached to a group and lived by the life of the group, the manor, the religious order, the trade or craft guild. The need for charity grew as men became detached from their groups. Some groups were broken up by famine which was not rare, by war and robbery which were common, by pestilence which stalked abroad, and the survivors wandered forth. Pilgrimages tolled men away from their groups and the life of the religious mendicant was found by many to be easy and agreeable. The crusades scattered men abroad. The break-up of feudal organization, the escape of villains to the towns, the dismissal of bands of retainers, the enclosure of



farm-lands for cheap pastures, and the turning adrift of the dispossessed rustics, all helped to break up the group life that had made charity so little needed.

The feudal order was in many respects bad. It was an organization controlled with primary regard to the interest of the organizers, and not of all the people, and this is the opposite of democracy. The disintegration of this system was a necessary step toward democracy. But all normal human life is gregarious, social, organized, and the dissolution of old bonds left the laborers isolated, as individuals, or as families. For this reason the need of charities grew apace.

This need for charities was met by the religion of the time with the doctrine that alms to the poor brought merit to the giver and shortened the stay of his soul in purgatory. This motive was frankly adopted. Charitable bequests were referred to in the wills as "in aid and merit of the soul of the testator." It was understood that the business of a beggar was to ask alms and to pray for the souls of the givers. There was an occasional saint who practiced the true charity of personal ministrations, but mediæval charity was in general that indiscriminate almsgiving which does more harm than good. However, gifts were abundant. Endowments of the great monasteries were so lavish that, as Warner remarks, "If the devotion of material wealth to the relief of the poor could alone have cured destitution, it would have been cured." "But these abbeys did but maintain the poor which they made, and such places wherein the great abbeys were seated swarm most with poor people at this day (1656) as if beggary were entailed upon them." "In no case," says Lecky, "was the abolition of monasteries effected in a more indefensible manner than in England, but the transfer of property, that was once employed in a great measure in charity, to the courtiers of King Henry, was

ultimately a benefit to the English poor." Later, "the Protestant authorities," says Emminghaus, "were not more prudent than their predecessors; the only alteration arose from the fact that the Church had less abundant means at its disposal, but this fact alone may be considered a great gain."

As the Church has tried indiscriminate almsgiving with disastrous results, so the civil authorities of practically every nation of Christendom have tried indiscriminate repression of begging and vagrancy with results almost equally unsatisfactory. Whipping, cropping the ears, and hanging for the third offense, proved no more effective than we find thirty days in a county jail to be. Labor in confinement enforced as the condition of receiving food is eminently proper treatment for sturdy beggars who refuse to work. But when there is no chance to work, men will rove and beg, if they do not steal. For those willing and able to work an opportunity to do so is the only and obvious cure. And to let their labor run to waste, and worse than waste, is a fault of organization. It will some time be learned that although there are times when a fraction of the labor force can yield no profit to managers, it is nevertheless highly profitable to society to furnish to that force at all times the opportunity for employment at least at a subsistence wage. Unemployment and indiscriminate almsgiving are the two causes for an army of tramps and beggars. To stop one would remove the excuse, to stop the other would remove the perennial temptation, to vagabondage and beggary.

The third experiment in the field of charity has been with indiscriminate, or relatively indiscriminate, alms by civil authorities. This has been the usual policy in the United States. The results have been almost as unsatisfactory as in the case of the mediæval monasteries. In one great American city in 1877 one person in every sixteen of the

population was receiving non-institutional relief. Friends of politicians received help whether needy or not. One woman received help under nine different names. Many sold what they received. Men came from the country every autumn to live at the expense of the city during the winter. The following year the whole system was discontinued. "To the surprise of all no increased demand fell on the private relief agencies during the winter following, no suffering appeared, and the numbers in almshouses did not increase. There is no well-authenticated instance where outdoor relief has been stopped and any considerable increase either of private charity has been required or any marked increase in the inmates of institutions has occurred. Public outdoor poor-relief educates more people for the almshouse than it keeps out of it, and therefore it is neither economical nor kindly."

The conclusion from these facts is not that all relief of poverty should stop, but rather that mere gifts of money or goods, without *personal acquaintance with the recipients and personal service rendered to them*, on the whole do more harm than good. On the other hand, when confidential personal relations with the beneficiaries are established, when the physical, personal, and social causes of distress are discovered and so far as possible removed, when the personal relationship is kept up till economic independence is reestablished, or the need otherwise terminated, when money, or other material aid, is used as an opiate is used by a physician to relieve suffering, or in the form of loans for tools or peddlers' stock or surgical appliances or other means of cure, they are used as a physician uses a medicine, then we have true and constructive charity. This requires organization. It requires the ability to wrestle with practical problems when they are most baffling. The advantage is great if the person attempting it has the benefit of the accumulated

experience of those who have dealt with many forms of social breakdown and are familiar with all the methods and agencies of social rehabilitation.

These lessons of experience have brought into existence the Charity Organization movement, which has the following objects:

(1) To provide paid workers who have the personal qualifications and the special training required for this work, who will devote to it their entire time and energy.

(2) To organize and assist the volunteers who can devote a part of their time to friendly personal service among the poor.

(3) To establish confidential coöperation among all the charitable agencies of a community so as to prevent needless repetition of personal investigations when several agencies chance to learn of the same case of need, to stop needless duplication of relief and the impostures of charity rounders, and to increase the efficiency of every agency by notifying it of each case which it is especially adapted to serve, and replacing mutual interference and cross-purposes by a concerted plan for every case taken under treatment.

A more or less incidental result of the Charity Organization movement is the fact that its continuous first-hand research in the actual causes and conditions of poverty has been an efficient means of enlightening public opinion as to social needs and problems.

**Institutional charity in the States.** The Charity Organization movement is a private enterprise and is practically confined to non-institutional charity. Institutional charity is in part private and in part supported by public funds. The State of Illinois, for example, supports twenty-two institutions with plants valued on the average at nearly a million dollars each, and having on the average more than a thousand inmates in each, and costing for mainte-

nance more than six million dollars annually. These include provision for the insane, the feeble-minded, the epileptic, the deaf and the blind and others. Cities have also their institutional charities, and unfortunately their non-institutional almsgiving, and counties, besides their non-institutional poor-relief, maintain at least almshouses or infirmaries.

Some of the States have increased the efficiency of their charities by consolidating their management under one central authority. And some of them (Indiana being a pioneer in this) have established a useful superintendence by the authorities of the State over all the charities of the cities and counties and even the private institutions. The requirements of such superintendence furnish our best hope of securing a tolerable efficiency in the non-institutional charity of cities and counties. Non-institutional charity ought as a rule to be left entirely to private agencies, developed in accordance with the principles of the Charity Organization movement, or to be carried on in close coöperation with such private agencies, the latter supplying the personal service which is their most characteristic function, or they should be under such thoroughgoing supervision by the State as no State has yet provided.

The almshouse has long been the most characteristic institution of local public charity in England and America. It has been the subject of many abuses. There are still survivals of the infamous system by which the poor of a county were entrusted to the lowest bidder. In the most progressive States the insane are removed from the almshouses, and no children are allowed to grow up in that environment, and feeble-minded women are no longer allowed to enter and leave at will, leaving their almost annual progeny of miserable humanity.

A recent innovation which has swiftly spread to about half

the States is the "mothers' pension" or "funds to parents" legislation, which provides that children shall not be separated from their parents if their only unfitness to rear their offspring is poverty, the county court allowing a stipend from county funds. This is a bad law unless the money is accompanied by such personal acquaintance and service as that described when discussing the Charity Organization movement; but it is an excellent one provided that condition can be properly fulfilled.

The Charity Organization movement, the influence of National and State Conferences of Social Work, and of scientific study and teaching, are so increasing public intelligence in this field that it may possibly some time become the rule for public non-institutional relief to be efficiently administered, and all indiscriminate almsgiving, whether public or private, to be abolished. Moreover, departments of sociology in universities and schools of philanthropy are gradually equipping a force of trained workers.

**County organization — Its importance.** In America the county is the chief unit in those forms of public charitable work which have preventive and constructive possibilities. It is the officials of the county, not those of the State, that are in constant contact with the people where the people live. In the most progressive States every county court is authorized to lay aside the ordinary rules of court procedure in the case of juvenile delinquents and to employ the services of a probation officer. It is in this work of juvenile probation, in the enforcement of school-attendance laws, in the administration of funds for parents, and in regular county poor-relief that the Government touches the *imperiled* classes. Wherever the central State administration of charity is sufficiently intelligent and honest, it should be possible to require that in every county (except the most sparsely settled) there should be at least one competent

and trained social worker, certified as such by the State civil service commission in coöperation with the State department of public welfare, and under the direction of this trained worker the publicly supported social service of the county should as far as possible be consolidated.

With efficient State departments of public welfare, which we now have in a few States, having charge of the charities and also of the corrections of the State, and with county departments of public welfare as just described, we shall have gone far in the right direction. Already certain cities (Kansas City being a pioneer in this) have established municipal departments of public welfare which have a force of trained social workers and administer the various public charities of the city in close coöperation with the private charitable agencies. The municipal department of public welfare maintains also such agencies as a free legal-aid bureau, a loan agency, a department of housing and factory inspection, a free employment bureau, emergency employment, supervision for dance halls and other places of amusement, and administers the city's correctional institutions and parole system, and a department for research.

Nowhere is it truer than in the field of charity that "an ounce of prevention is worth a pound of cure." Every form of physical and moral breakdown can grow out of poverty and be entailed upon succeeding generations. Even a wise selfishness on the part of society would enlist earnest endeavors to identify and combat the personal and social causes of poverty. Let aid be given to the poor before they fall over the brink of pauperism. *Genuine and intelligent philanthropy will be devoted chiefly to giving the poor a chance to help themselves, by creating conditions of housing, public health, recreation, education, and labor which the poor individual, as an unaided and isolated individual, cannot provide, but which a democratic society is bound to maintain.*

Against forms of misfortune to which the principle of insurance applies, especially against sickness, the most constant of all causes of poverty and general breakdown, that principle should be scientifically directed as is being done in every great industrial nation except the United States. The principle of insurance is that all who are exposed to a given risk, or who profit by having others exposed to that risk, should share the burden instead of allowing its whole weight to crush those who are selected to bear it by accident or physical nature.<sup>1</sup>

Charity, in the old-fashioned sense of giving a little out of the abundance of the well-to-do to keep the wretched alive in their penury, was not an institution of democracy, but came near to being the very antithesis of democracy. Every normal individual receives from society a million times more than he can repay, and he is a pauper and a dependent unless in return he does his part to help attain the goal of social betterment through democratic organization. None is worthy to give who is not willing to acknowledge that he receives, that he is debtor to the Greek and to the barbarian, the bond and the free, to all who have created and who help to maintain the common social life, and willing to measure his own worth chiefly by the loyalty of his determination to contribute his part to that coöperative achievement.

<sup>1</sup> The subject of social insurance might with propriety have been treated at length under the title of this chapter. The topics to be included in the chapter were determined by the plan of the editors. I understand that the press, the church, and philanthropy are not elsewhere dealt with in this book, while all the other subjects that might have been included in the title of this chapter are elsewhere treated.



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## VII

### DEMOCRATIZATION OF INSTITUTIONS FOR PUBLIC SERVICE

W. F. WILLOUGHBY

**Democracy, not autocracy, won the War.** The War now so happily terminated brought with it many revelations. In the field of politics it demonstrated the inherent strength of democracy. For years prior to the outbreak of the War the feeling had been widespread in countries enjoying popular government that the advantages of that form of government were secured only at the expense of efficiency. When the supreme test came, however, these countries, not only waged a successful war, but showed a steadfastness of purpose, a self-sacrifice, and an efficiency in meeting the varied problems of waging war under modern conditions that was equaled by no one of its autocratically ruled enemies. Everywhere popular government emerged triumphant, while autocracy with its much-vaunted efficiency in every case, if we except Japan, which was subjected to no severe strain, crumbled in ruins.

Yet political democracy has weaknesses for a peace-time. The victory of popular government should not blind us, however, to its weaknesses, or rather to an appreciation of the necessity for certain things if it is permanently to endure and fulfill its mission. Popular government has demonstrated its strength in time of war. Will it be equally successful in the period of political and industrial unrest upon which we are now entering? Unless indications are misleading, popular government is about to be subjected to a test

even more severe than the one from which it has just emerged. It behooves all lovers of democracy, therefore, to take stock of experiences of the past four years, to sound the basic reasons for the radicalism now coming to the front in every land, and to see wherein the weak points in the armor of popular government may be strengthened.

It is opposed to industrial autocracy. To the writer the greatest source of weakness of democracy is that it is seeking to maintain itself in an environment which in many respects is not in accord with its principles. When England, in the middle of the nineteenth century, was seeking, by the reform of its electoral franchise system, to democratize the foundation upon which its political structure rested, many of her more enlightened men looked with apprehension upon, if they did not actually oppose, the movement, due to the belief that political democracy could not permanently prevail in a community whose industrial system was not on the same basis.

For years these forebodings seemed to have been unfounded. To-day, however, they are, or should be, in the minds of every one to whom the public welfare is a matter of concern. There can be little doubt that the world is about to enter upon a struggle on the part of the common people for industrial democracy comparable in all essential respects to the struggle for political democracy that characterized the nineteenth century. The Bolsheviki in Russia, the old Teutonic empires, and the Scandinavian countries, the Syndicalists in France, the Laborites with their new program, and the advocates of national guilds in England, and the I.W.W.'s, in our own country, though differing in respect to the character of their present demands and the means to be employed for their attainment, are one as to the fundamental aim that they have in view. Progressively or immediately they are demanding that the present régime, where

industrial control is in the hands of the few, shall give way to one where all who participate in productive operations shall exercise a voice in their conduct.

**Necessary to face the facts.** This brief sketch of conditions as the writer sees them is not written in any spirit of advocacy or denunciation. What is sought is merely that the existence of these conditions shall be clearly recognized. Especially is it necessary that those whose work lies in the field of political science should do so. In the past it has been possible for the social reformer and the political scientist each to travel his own road without much thought of the other. In the modern movement for industrial democracy the two paths come together. The Laborite, with his new platform, must now give a large part of his attention to ways and means, to organization and procedure. The political scientist must follow this movement, since nothing is more certain than that, if it gains headway, the conditions under which political institutions operate will be radically changed if, indeed, such institutions do not themselves undergo profound modification.

**And to take one's position on them.** Next in importance to recognizing the existence of a movement is that of making up one's mind regarding the position that should be taken in regard to it. The choice here lies between that of opposition and repression and that of attempts to remove the causes of the discontent which have given rise to the movement and to direct the movement itself into proper channels. Which of these two attitudes is the correct one it is hardly necessary to state. Few now question that the efforts of the political and industrial Bourbons of the past, to oppose the development of democracy and the right of workmen to organize and demand the substitution of collective for individual bargaining in fixing the labor contract, were a mistake. In so far as they achieved their end at all, they had as their

effect to drive the workmen into other and more radical movements for reform. In respect to the present movement it is thus in the highest degree desirable that its aim as an aim should be viewed sympathetically. Certainly a more democratic form of industrial organization is desirable, if feasible.

**Facts disclosed during the War.** The country owes a deep debt of gratitude to the President's Mediation Commission, which, at the request of the President, made, in 1917, an investigation into the causes of industrial discontent as evidenced by the spread of the I.W.W., for taking this position. In a remarkably able report submitted to the President, this Commission unequivocally condemned the efforts at repression which had been so much in evidence in the past and insisted that future efforts should be directed toward the removal of the very real grievances which had been responsible for the movement. It thus said:

Broadly speaking, American industry lacks a healthy basis of relationship between management and men. At bottom this is due to the insistence by employers upon individual dealings with their men. Direct dealings with employees' organizations is still the minority rule in the United States. In the majority of instances there is no joint dealing, and in too many instances employers are in active opposition to labor organizations. This failure to equalize the parties in adjustments of inevitable industrial contests is the central cause of our difficulties. There is a commendable spirit throughout the country to correct specific evils. The leaders in industry must go further; they must help to correct the state of mind on the part of labor; they must aim for the release of normal feelings by enabling labor to take its place as a coöperator in the industrial enterprise. In a word, a conscious attempt must be made to generate a new spirit in industry. . . .

It is, then, to uncorrected specific evils and the absence of a healthy spirit between capital and labor, due partly to these evils and partly to an unsound industrial structure, that we must attribute industrial difficulties which we have experienced during the war. Sinister influences and extremist doctrine may have availed

themselves of these conditions; they certainly have not created them. . . .

Too often there is a glaring inconsistency between our democratic purposes in this war abroad and the autocratic conduct of some of those guiding industry at home.

**How to avoid Bolshevism.** If our country is to avoid the evils of Bolshevism or of I.W.W.-ism, in so far as that organization stands for direct action, sabotage, and violence, every effort must be bent toward the removal of these conditions and the taking of the action that will put our industrial organization on a more democratic basis. This means, that specific evils in the way of excessive hours and improper conditions of labor generally shall be corrected; that the principle of collective bargaining shall be definitely recognized as the only means through which labor may effectively exercise its legitimate voice in the determination of conditions under which its services shall be given; that individual ownership and operation of farms shall be promoted in every way possible; that coöperative efforts in both production and distribution shall be stimulated; and that all movements and policies having for their purpose the securing of a more even and equitable distribution of property and income shall be earnestly supported.

**Industrial democracy a task for high statesmanship.** Political democracy has proven a success, since the limitations and the dangers inherent in it have been clearly appreciated and guarded against. In the development of representative government has been found the means, not only of extending the benefits of popular government to a large population, but of avoiding the dangers of mob rule and of furnishing protection to the minority from the possible oppression of a tyrannical majority. Industrial democracy presents equally numerous and grave limitations and dangers. In their determination and the devising of means by

which they may be met, the statesmanship of the world has a task second to none in importance and complexity among the problems with which it will have to deal in the new period into which we are now entering.

**Democratization of civil service and military organization.** The democratization of industry represents but one phase of the general movement for democracy which the War has brought so prominently to the front. Another phase is that of the democratization of the two great divisions of the administrative branch of the Government, the civil service and military and naval establishments. This is a phase which the writer has sought to handle in a work recently published by him.<sup>1</sup> Its discussion arose in connection with his attempt to define and determine the significance of bureaucracy and militarism as those words are used as terms of opprobrium.

If we examine the personnel systems of the leading governments of the world, it will be found that they are fundamentally different according to the principles on which they are based. At one end of the scale stands the bureaucratic type of Prussia as it existed before the War. Much misapprehension exists in regard to the true character of this system due to the two senses in which the term "bureaucratic" may be employed in describing a system of organization and personnel administration. In its larger sense this term is used to describe any personnel system where the employees are classified in a system of administration composed of a hierarchy of sections, divisions, bureaus, departments, and the like. Used in this sense there can be nothing to justify the prejudices which exist in the United States against what is known as a "bureaucracy." Such a system is in fact one that must be established in the case of any large undertaking if efficiency in operation is to be secured.

<sup>1</sup> *An Introduction to the Study of the Government of Modern States.* The Century Company, 1918.

**What is bureaucracy?** The term "bureaucracy" can be, and is, however, used in a much more restrictive and special sense as descriptive of a body of public servants organized in a hierarchical system which stands outside of the sphere of effective public control. It is in this sense that it is employed in designating the old Prussian civil-service system. The prime characteristic of this system is that it represents a body of public servants owing their positions directly to the authority of the ruler. They are in the fullest possible acceptance of the term but the servants of the ruler, the agents through whom he exercises his autocratic powers as head of the administration. Due to this fact the ruler is able to organize the civil branch of the government upon a basis substantially similar to the military branch of the government. It constitutes as distinct a career as those of the military and naval establishments. Special provisions exist for the education and training of those contemplating adopting its several branches as careers. After entrance, members of it advance in regular gradation of positions and in conformity with general regulations. Their tenure of office is as fixed and secure as in the case of the military and naval services. Practically the same care is given to the determination of the titles employed in designating officers of different grades, and to the social and other advantages and prerogatives attaching to such offices, as in those services. The result of these provisions is to bring into existence a body of public servants who constitute a distinct class in the community in the same way as do the military and naval forces.

**German bureaucracy and efficiency.** There can be no question of the advantages which such a system offers from the standpoint of efficiency. Notwithstanding this, examination shows that there are inherent in it certain disadvantages or dangers which go far toward justifying the deep-



seated distrust that Americans have of it. The fact that under it Government employees are servants of the State rather than of the people tends to make them, not only irresponsible to public demands, but to assume a superior or overbearing attitude to the public. That this feature was very much in evidence in the Prussian system any one who has had contact with it can testify. All of the evils of militarism, as they concern the relations between the military establishment and the general population, are latent, if not positively expressed, in a bureaucracy of this character. What is of still greater importance is the power which this system gives to a ruler to control both the general social and the political life of the people. That this power was used in Prussia in this way to control elections and to secure the attainment of the political ends of the ruler is certain. Indeed, its use was openly acknowledged and justified as a legitimate use by the ruler of his powers to advance the welfare of the State as he saw it.

The British system aristocratic. In England we have another type of personnel system which may be characterized as the "aristocratic" in contrast with the "autocratic" type of Prussia. A distinguishing feature of this system is the sharp distinction which is drawn between different grades of personnel, and the difficulty which exists in passing from one grade to another. There is first the class of permanent under-secretaries and assistant secretaries. No attempt is made to apply the competitive principle in recruiting this class. Its members hold office by appointment based upon the personal judgment of the appointing officers as to their capacities; and selection may be made from persons already in the Government service or who have never held public office. The theory is that the qualifications desired of this class are of so special a character and involve to so large an extent the matter of personal equation,

and the relations between them and their appointing officers are of so personal a nature, that the latter should have broad discretionary powers in making their selections. Next there is the class of superior administrative officers to whom is given the designation of "first-class clerks." This class includes all those who, subject to the authority of their superior officers, the heads of the departments, the under-secretaries, and assistant secretaries, occupy the more important positions and constitute the great bulk of what may be called the directing personnel. This class is almost wholly recruited by means of special competitive examinations, the conditions and character of which are so fixed that practically only graduates of the universities of Oxford and Cambridge can hope to compete with success. Only in exceptional cases are those positions filled by promotion of employees in the lower ranks. Finally, there are a number of classes of subordinate personnel, the ranks of which are recruited by special competitive examinations and in less degree by promotion of persons within the services.

**Resemblance to military organization.** This system is based upon substantially the same principles and considerations that obtain in the military and naval services. Substantially the same clear distinction is made between the directing personnel, or officer class, and the general line of employees, that is made in the latter services between the commissioned officers and enlisted men. And the same difficulty exists in passing from one class to another that obtains in those services. The theory is, though it is not always openly avowed, that the directing personnel should not only have qualifications which can be secured only by special training, such as is given in higher universities, but that they should be drawn from the upper classes of the population. This system, which is often described as one of water-tight compartments, is, it will be observed, congenial to the aris-

tocratic character of the social system of England. Primarily its adoption is due to this fact, rather than to the deliberate opinion on the part of those entrusted with the conduct of public affairs of its intrinsic merit. The arguments that are brought forward in favor of it represent thus but the effort to justify a decision that has been made on other grounds.

**American civil service democratic.** The system of the United States presents still a third type of civil-service organization. In thus characterizing the American civil service as a distinct type, reference is not made to one of its most characteristic features, the extent to which public offices are treated as political spoils, but rather to the character that has been given to the system where the effort has been made to take it outside of the domain of politics and put it upon a merit basis. A distinguishing feature of both the German and English systems is that they are based upon the principle of recruiting their personnel from among young people just leaving school and who have deliberately selected the Government service as their life occupation. In the United States the whole principle upon which the personnel system is based is radically different. The theory seems to be that the Government service is not one to be deliberately adopted by young people as their life vocation. The age requirements are such that persons well along in life may enter; and in fact, to a large extent, persons entering the Government service have previously been employed in other capacities. Entrance examinations, instead of being of a general character, are highly specialized. The effort is made to secure persons already possessing the particular training fitting them to perform the work called for by the particular positions to be filled.

We have entered upon this rather lengthy description of the three types of personnel systems, since it serves to bring

out the important part that this branch of public administration plays in determining the real character of the political institutions of a country. The Prussian system is an autocratic system; that of England, an aristocratic; and that of the United States, a democratic. No one can claim that our system, as it is actually operated, is a satisfactory one. It is desirable, however, to appreciate that, as regards its fundamental character, it is thoroughly consonant with our democratic form of government. It is then highly important that in an effort to improve it we should preserve this feature. The problem, in other words, is that of seeking to give to it the good features of other systems while still holding on to its essential democratic character.

**The nature of militarism.** Turning now to the military and naval branch of administration, we are confronted with a set of considerations in all essential respects similar to those presented in the case of the civil branch. Just as the nature of bureaucracy has been generally misunderstood by the American people, so there has been a wide misapprehension in respect to the real nature of militarism. To the writer this term can properly be applied only to a system where the military and naval forces, not only constitute a distinct class in the community, but are beyond the effective control of the people. As so used it can refer, in its strictest sense, only to the military establishments of an autocracy. Militarism is, in fact, the twin brother of bureaucracy, or, to change the metaphor, bureaucracy and militarism constitute the two arms of the autocrat through which he is enabled to maintain himself and make his will prevail.

The importance of this analysis of militarism, from the standpoint of the proposition now being urged for the establishment of the principle of universal military service in the United States, is evident. The greatest argument that is brought against this proposal is that it will lead to militar-

ism. No greater mistake could be made. Militarism, properly viewed, is not synonymous with the maintenance of a large military establishment and especially not if this establishment rests upon the basis of a general obligation on the part of all classes to service. The distinction between the two is precisely that which we have sought to draw between a bureaucracy in an autocracy and an administrative personnel in a popular government. A military system in an autocracy means the existence of a force of soldiers who constitute a class apart and are agents of the ruler rather than guardians of the public.

**Not dangerous under our system.** With this understanding of the true nature of militarism, it must be apparent that the proposal to require military service of all the youth of the land has in it none of the dangers inherent in that system. In itself it has as democratic a character as any system that can well be devised. Especially is this so if the rigid line, which has heretofore been drawn between commissioned officers and enlisted men, is in a manner broken down, or at least eliminated to such an extent that the former are recruited from the latter according to some selective system resting upon merit and capacity. The writer will yield to none in the emphasis that he would put upon the necessity for implicit obedience on the part of men to their officers. He does not believe that the only way to secure this is through the sharp separation now existing between the two classes and the special character of the relations which are now enforced between them. Certainly if the decision in favor of universal service is made, every effort should be exerted to emphasize the democratic character of the army resulting. If this is done such an army can be made a means of training, physical, mental, and moral, and an instrument for Americanizing our heterogeneous population second only in importance to our public-school system.

**The public school.** In referring to our public-school system mention has been made of yet another institution which, while not of a political character, has, or may have, profound influence upon the manner in which such institutions work in practice. If democracy means anything, it means an equality of opportunity. Such a condition can obtain only where the educational system of a country is such that its facilities are open to all and substantial freedom of choice exists in respect to the nature of the instruction desired with reference to vocation to be followed. To state this in another way, it is a mockery to hold that all fields of endeavor are open to all persons if the opportunities for securing the education and training necessary for work in those fields are not equally open.

**Non-democracy of German schools.** It is a rather remarkable thing that, much as the educational system of Germany has been studied, this aspect of it received little or no attention until the War led to a searching examination of all of the institutions of that country. It is now seen that the much-vaunted educational system of that country was deliberately devised so as to exclude practically all opportunity on the part of the lower classes of entrance into any of the higher positions, either in the service of the State, civil or military, or in the professions. In effect this system provided for two classes of schools: one for the common people, which provided for a good common education, but made no provision for those studies which were necessary to prepare students for the professions, the superior positions in the army and the civil services, and the more responsible positions in industry generally; and the other which had specially in mind the preparing of pupils for these positions. Attendance in the first class was free or practically so; while that in the second class entailed a very considerable expense. The result of this was that the great mass of the laboring

classes was compelled to send their children to the schools of the first class. Once having made this decision it was exceedingly difficult for a student to pass from one class to another. The courses of study in the two classes of schools were so adjusted with reference to the requirements for entrance into any of the higher positions, that only students in the second class could possibly qualify for these positions. From ninety to ninety-five per cent of the youth of Germany thus found themselves, at the very start of their lives, debarred from all hope of entrance into the higher walks of life. As Professor Alexander has pointed out in his excellent study of this system:<sup>1</sup>

A careful study of the Prussian school system will convince any unbiased reader that the Prussian citizen cannot be free to do or act for himself; that the Prussian is to a large measure enslaved through the medium of his school; that his learning instead of making him his own master, forges the chain by which he is held in servitude; that the whole scheme of Prussian elementary education is shaped with the express purpose of making ninety-five out of every hundred citizens subservient to the ruling house and to the State.

**Similar tendencies in England.** A study of the English educational system will show that, though there is no such deliberate plan of excluding the lower classes from the schools, attendance upon which qualifies for the superior positions, the system is one having this effect to no slight extent. Mention has already been made of the fact that the requirements for entrance to the higher positions in the Government are such that only graduates of Oxford and Cambridge stand much chance of meeting them. In the case of the English system the factors having the greatest weight are, however, social rather than legal.

**American schools democratic.** It is only when one turns to the United States, and to a less extent to other countries

<sup>1</sup> *The Prussian Elementary Schools.* 1918.

in which democracy, from a social as well as a political standpoint, prevails, that a really democratic system of education is found. Whatever may be the technical defects of our education system, it has this great merit. This applies not only to our common-school system, but to our system of higher education as well. Thanks to the establishment of the great system of State universities, the liberality of our men of wealth in endowing private universities, and the democratic spirit that prevails in most, if not all of them, the opportunity for securing the training leading to every position, public and private, no matter how exalted, is open to all. In this most important matter the United States has thus laid the absolutely essential basis for democracy, political or industrial.

In the foregoing we have sought to consider certain of the more important phases of a problem which now confronts all nations of the Western world. To recapitulate, this problem is that of putting all of their public institutions, political, social, and economic, upon a democratic basis. The point that it has been desired specially to emphasize is that the democratization of purely political institutions constitutes but part of the task to be accomplished. In the United States and in most of the countries of Europe this has been fairly well accomplished. The remainder of the problem consists in bringing the other institutions of the land into harmony with these institutions.

**America's fortunate position.** In respect to this phase of the problem the United States is in a peculiarly fortunate situation. It has never suffered from either bureaucracy or militarism. All of its instincts are against such systems. It has a civil service which, notwithstanding its many defects, is of a thoroughly democratic character. In its public-school systems it has an educational system that could



hardly be more democratic, either in principle or practice. Having eliminated the cancer of slavery it has a social system that recognizes the dignity of labor and draws no false distinctions between those who labor with their hands and their minds. It is in the field of industry alone that much yet remains to be done to bring that system into harmony with its other institutions. The writer is far from advocating any of the radical measures of reform, such as are represented by Bolshevism, socialism, syndicalism, or what-not, now prominent in other lands. He does believe, however, that if the evils of these systems are to be avoided, the United States will have to spare no effort to secure a greater equality of bargaining strength between employees and employers, such as will result from the general acceptance of the principle of collective bargaining; a greater equality in the distribution of wealth and income, such as will be secured through the development of farm ownership and the promotion of coöperative efforts; and a greater equality in the burden of taxation, such as is represented by the progressive principle in the imposition of income taxes, the taxation of articles of luxury, etc. One thing is certain. The working classes are going to demand, to an increasing extent, not only a larger share in the world's goods, but a greater voice in the determination of the conditions under which these goods are produced and distributed. If they cannot accomplish these ends through the means which we have mentioned, it is only a question of time when they will direct their efforts into the other channels being followed by their fellow workers in other lands. The American people have solved, or are in the process of solving, the problems of political democracy. Just as they have avoided the dangers of mob rule in that field, may we not hope that they will do so in that of industry? Certainly no other nation is better situated to work out successfully this problem of the new era upon which we are entering.



### **III**

## **AFTER-WAR SOCIAL PROBLEMS**

**ESTHER CLAYSON LOVEJOY, M.D.**

*Vice-President Elect of the National Medical Women's Association, formerly Director of Public Health in Portland, Oregon*

**MARY ELIZABETH TITZEL**

*Research Assistant in the Children's Bureau of the United States Department of Labor*

**SAMUEL P. CAPEN**

*Specialist in Higher Education in the United States Bureau of Education, and member of the Advisory Board of the Committee on Education and Special Training of the War Department*

**CHARLES R. MANN**

*Chairman of the Advisory Board of the Committee on Education and Special Training of the War Department*

**WILLIS H. CAROTHERS**

*Professor of Secondary Education in the Kansas State Normal School, Emporia, Kansas*

**SAMUEL McCUNE LINDSAY**

*Professor of Social Legislation in Columbia University*

VIII  
DEMOCRACY AND HEALTH  
ESTHER LOVEJOY, M.D.

“Let us admit it fairly, as a business people should,  
We have had no end of a lesson; it will do us no end of good.”

THAT is, it will do us no end of good if as a nation we act upon the information available as a result of the War. From the standpoint of public health and welfare the startling revelations which followed the application of the selective service draft will be worth far more than the cost of the War if we admit our national faults fairly, and apply rational remedies to the correction of evils which ought not to exist in this or any other country.

The supreme test was applied to the soul of the Nation on June 5, 1917. That was the day set for the first registration and practically all of our men between twenty-one and thirty-one years of age responded to the war call as with one voice. This was the answer made to the charge that our country was divided against itself. These young men were willing and anxious to join the army, but when the examinations were made many of them were rejected on account of preventable diseases and physical defects, and, in this land which boasts of its public schools, a shocking percentage of illiteracy was revealed.

Condition of the drafted men. According to the report of the Provost Marshal General, 730,756 out of the first 2,510,706 men examined were rejected for physical defects. A table covering ten thousand of these cases indicates that most of these faults were preventable, and many of them were of a nature that might easily have been corrected during

childhood. Over four per cent were rejected on account of venereal disease.

It is easy to examine thousands of men and tabulate gross imperfections, culling out those whose ears have been injured by scarlet fever, or whose vital organs have been damaged by the *Treponema pallidum*, or tubercule bacillus, but it is utterly impossible to measure the stature of the men who might have been if the States and the Nation had done their full duty to the children of the last generation.

The young men who answered the call so loyally, and who were rejected because of preventable defects, had been neglected by the mother country for which they were willing to die. Those who were found to be illiterate had been irreparably wronged by the States they loved so well. There was hot haste in the Nation to correct the evils that reduced our man-power, but it takes twenty years to make a man and it is impossible to speed up the process to meet an emergency.

With the submarines threatening our coast, our social conscience suddenly awakened and we began to think straight and act straight and adopt rational measures for the welfare of the Nation. Many of these enactments have been facilitated as war measures, but as a matter of fact they are just as truly peace measures. Some of them had been advocated by our peace patriots for years, and if they had been in operation fewer men would have been rejected.

"In times of peace prepare for war" is a pretty good old adage, and from the standpoint of a practical pacifist the better we are prepared for war the less likely we are to have it. A high type of manhood is the best possible guarantee of safety for the future, and it remains to be seen whether our suddenly developed social conscience will stand the test of peace.

**British experience.** The prophets of England had been

ding-donging along this line for years. British soldiers had sounded the warning over and over again. Statesmen had harped upon it, and, in the light of recent events, the immortal protests and prayers of the great poetic prophet of the English-speaking peoples, would seem to indicate that he previsioned the price he was to pay personally.<sup>1</sup>

But what good did it all do? Even the South African experience was lost, and when the great crisis came the defenders of the realm were so unbelievably under-grade that the Government suspected the examining physicians of some sort of connivance and checked their work by having groups of men reëxamined, with the result that the Premier apologized publicly to the examining physicians for the unjust suspicion.

The material resources of the Nation had been carefully conserved. The ships and forts had been conscientiously tested, guarded, and improved. They cost money — “ay, there’s the rub!” When men cost money, they’ll be worth it. But so long as values are measured in pounds and pence and dollars and cents, and women people the earth gratuitously, without guarantee of care and protection for their children, human material will be cheap and not worth saving.

England was surprised and shocked at the number of “B-2” and “C-3” men that volunteered for service. That is, the well-fed, well-educated, physically and mentally fit part of England was surprised and shocked. It was appalling. As a result of national disregard of public health and welfare the strength of the Nation had declined, and the country found itself a million man-power short at the time of its greatest need. This shortage could be measured by the weak and defective man-material on hand. But, it might have been worse. The men who presented them-

<sup>1</sup> Kipling’s only son was killed in the early part of the War.

selves for examination had at least survived. They were an asset. They could serve in some capacity according to their strength, but no board of examiners could measure the stature, or the loss to the kingdom, of those who had died in childhood and youth as a result of the conditions which had produced these hundreds of thousands of under-grade, defective men.

Physical perfection is a glorious thing. An "A-1" man is the noblest work of woman. He radiates strength and vitality. He is the very apple of the eye of womanhood. As a national asset his value reaches away into the generations of the future. In times of peace "B-2" and "C-3" men are hopelessly handicapped in competition with the "A-1s." But, after all, life is sweet, and there is a grim compensation and a sort of national retribution in the fact that in times of war the "A-1s" pay the price of physical perfection, and the "C-3s" or "D-4s" — the worse the better — are most likely to survive and avenge their wrongs by perpetuating their imperfections.

If misery really loves company, the revelations following our selective service examinations must have comforted the other nations in their humiliation. It does not seem possible that there can be three fourths of a million illiterates, and about the same number of diseased and defective young men in the United States. This is undemocratic. The co-existence of these two evils in corresponding proportion naturally suggests that they go together. As a matter of fact they do. Education is a basic public health measure. An educated electorate will demand living conditions conducive to the highest degree of health.

Our draft was democratic. It was a war measure. It got the man from Harvard and the man who had grown up without care or education. But the disparity that made it possible for one to enjoy advantages so far beyond the



reach of the other is absolutely unfair, undemocratic, and un-American. Our boys have fought and died for the ideal of democracy, but a true democracy is impossible where economic pressure pushes the children out of school into gainful occupations before they have passed the sixth grade.

We could scarcely believe the report of the Provost Marshal General. If it had come from a less reliable source we should have branded it instantly as a base fabrication. This stain on our national reputation will not come off in a hurry. Everybody is talking about it. The other more or less democratic nations find mitigation in it for their own shortcomings, and the Bolshevist holds up his hands in horror and points to it to prove that a "plutocracy" is worse than an "autocracy."

**What the draft revelations mean.** It is perfectly clear to the whole country that these boys have been neglected and ill-treated, and it is fair to assume that their sisters have fared no better: worse, perhaps, because the neglect of girls leads to prostitution. These defective young men are the victims of a defective social system. They have been deprived of their birthright in this democracy. When the honors of the Nation were distributed, embarrassment and rejection were their portion. They were crestfallen and broken-hearted. Their families were humiliated. But the blush was on the wrong face. The fair, innocent face of youth was flushed with the shame that should in justice have branded the brow of the elder generation.

The womanhood of the land is stung to the quick by this living evidence of injustice. The women's organizations are discussing the matter openly, in all its phases, not excluding the venereal, and passing resolutions of censure against whosoever and whatsoever is responsible. As a nation we have fallen far short of our ideals, and women find scant

comfort in the fact that they are without guilt in this connection.

"Care of the public health is the first duty of a statesman." This dictum of Disraeli has been repeated over and over again, in substance, by clear-thinking men of all nations, including Woodrow Wilson and Theodore Roosevelt. Being a statesman, Disraeli realized this perfectly, and if the majority in the British Parliament had been "statesmen" doing their "first duty" from that day to this, Lloyd George would not have been constrained to deplore the obvious fact that an "A-1" nation cannot be maintained with a "C-3" population.

An "A-1" nation is a peace problem, like all fundamental preparations for war. It involves every phase of human welfare. It necessitates the free exercise of our inalienable constitutional right to the pursuit of happiness. It is contingent upon ascending national ideals, possessing all the charm of the unattainable, and its possibilities are as boundless as eternity.

In a limited, present-day sense, an "A-1" nation is a matter of comparison, and with all our imperfections we are "A-1" from this standpoint. Bad as we are, the other countries are worse, and since, according to the best authorities, our national status depends primarily upon our population being alive and well, which involves the mysterious, agonizing, and hazardous incident of being born, let us take a peep into the mortality statistics of the United States (a thrilling publication) and see if we can gather anything worth while regarding the cost at which we are born, why we get sick, and what we die from.

**American mortality statistics.** Over a million people die annually in this country, and nobody has the slightest idea how many are born. According to the 1916 census, the last available report, made up from the death returns of the

registration area which includes about seventy per cent of the population of the United States, 12,165 persons died of "senility" and the rest were cut off more or less prematurely by diseases, most of which were preventable, and many of which were inexcusable. Even the 12,165 who died officially of old age probably had something the matter with their vital machinery that did not appear on their death certificates.

Tuberculosis formerly led the procession of death, but as a result of education and preventive measures that dread malady had gradually slackened to second place and organic heart disease was in the lead, when a dark team resembling influenza and pneumonia speeded up and won with a record of *four hundred thousand* in the eventful year just passed.

This was a shocking deviation from the usual course. In a general way the returns of 1916 represent the regular order of mortality, and the following list will give us a fair idea of what is happening from year to year:

Organic heart disease.....		107,154
Tuberculosis.....		101,396
Bright's disease (nephritis).....		75,316
Violent deaths — including suicide.....		75,303
Pneumonia and bronchitis.....		74,787
Pleurisy and other respiratory diseases.....		43,619
Cerebral hemorrhage and softening of brain.....		59,154
Cancer and other malignant growths.....		58,600
Diarrhoea and enteritis:		
under two years.....	46,956	
over two years.....	9,807	56,763
Appendicitis and typhilitis.....	9,157	
Hernia and obstruction.....	8,974	17,231
Diseases of stomach, non-cancerous.....		10,330
Cirrhosis of the liver.....	8,799	
Gall-stones.....	2,438	11,237
Epidemic diseases common during childhood:		
Diphtheria.....	10,367	
Measles.....	7,947	
Whooping cough.....	7,284	
Scarlet fever.....	2,355	27,953

Influenza.....		18,886
Typhoid fever.....		9,510
Childbirth (immediate effects, mothers).....		11,642
Infants (stillbirths, not recorded).....		55,676
The deadly plagues:		
Typhus fever.....	35	
Yellow fever.....	1	
Bubonic plague and cholera.....	0	
Rabies.....	36	
Smallpox.....	114	186
Other diseases.....		<u>187,175</u>
Grand total.....		1,001,921

The popular diseases. As a choice of this long list of evils who would not gladly die from organic heart disease? There is a sentimental appeal in this manner of departing from the world. It sounds so innocent, pure and free from any association with infection or contamination. It is such an appropriate ending for a middle-aged person whose reputation is above reproach. And yet, organic heart disease covers a multitude of sins and evils, including the best brands of alcoholic beverages, lead-poisoning, syphilis, the toxins of specific fevers, rheumatism, gout, pus foci, intemperate eating, excessive and long-continued exercise, work, or sport — usually sport — and many other things that might easily be prevented.

Arterio-sclerosis (hardened arteries) favors cerebral hemorrhage, Bright's disease, and other terminal manifestations. Any or all of these may be associated with chronic heart disease, and many of these pathological cronies have the same mischief-making antecedents. They are a bad lot. Conclusive etiological evidence is lacking in regard to cancer, but this supreme affliction coöperates effectively with the whole degenerative train of human ills.

Cancer of the stomach is the bane of bar-tenders. It is the price they pay for their free drinks. And this suggests that the extraordinary percentage of cancer of the stomach

among men, as compared with women, may be induced by the convivial habit of treating and toping, in which case we may confidently expect a decrease in the number of deaths from cancer of the stomach during the next few years.

Cancer of the uterus is part of the price women pay for the privilege of peopling the world. A lacerated cervix provides an ideal soil for the growth of this deadly excrescence, and with the anticipated fall in the number of cases of cancer of the stomach during the coming decade, it is to be hoped that there will be a corresponding decrease in cancer of the uterus due to the better care which the mothers of the Nation may receive.

**Motherhood as a cause of death.** An "A-1" motherhood is a prerequisite of an "A-1" nation in times of peace or war. From the standpoint of song and story the mothers in the warring nations have been shown every consideration during the last year or two. Nothing has been left unsaid or unsung. The orators of all lands, including our "four-minute" men, have been singing their praises and calling them blessed. They have been crowned with honor and glory, but a gravid woman or a nursing mother cannot live on glory alone. Motherhood is the fundamental military service, attended with a larger percentage of "killed and wounded" than any other branch, and it is about time that it was getting some practical recognition. Halos are not edible.

It is impossible to say how many women die from immediate and remote causes connected with child-bearing. Physicians and families are loath to admit that a mother has died from neglect or accidental infection. In the examination of death certificates I have never observed one where it was plainly stated that the woman had come to her death from puerperal infection at the hands of some "person or persons unknown," probably the male or female midwife in attend-

ance, or that she had died from eclampsia (convulsions) due to gross neglect at the time of her greatest need. These would be shocking things to put on a death certificate. They are so sensational. They might be considered bad form, and while there are so many available scapegoats in the way of possible causes and concurrent affections, why add to the calamity by telling the truth about it?

According to the census of 1916 between eleven and twelve thousand deaths from the immediate effects of child-bearing were reported during that year. These returns were from the registration area which includes approximately seventy per cent of the population of the United States. It is conservatively estimated that between fifteen and twenty thousand mothers are lost yearly from such causes. Practically all of these women are between fifteen and forty-four years of age, and with the single exception of tuberculosis there is no disease that kills so many women in the prime of life as this "perfectly natural" function. If deaths from miscarriages and the remote effects of the injuries incident to child-bearing were included, tuberculosis itself would certainly be outclassed.

This appalling loss of life is probably due, in large degree, to the popular opinion that child-bearing is "perfectly natural." But we do not belong to the spawn-and-die species, and the evidence strongly indicates that this is a pathological process. Suffering usually begins within six weeks of conception and danger increases steadily until the end. Parturition is a painful and mutilating experience. Every woman who bears a child is injured, and while the majority recover completely, it often happens that permanent invalidism, with subsequent death, is the sequel. All the gynæcologists in the country and many of the general practitioners derive a considerable part of their yearly incomes from women who have been injured in child-bearing.

**Deaths among infants.** And now let us take another look at the mortality statistics and see what happens to the babies for which women pay so high a price. In addition to the unknown percentage of stillbirths, these children are lost at the rate of about three hundred thousand annually before they are a year old. They die in their infancy from lack of care and improper feeding. Many of them contract measles, scarlet fever, whooping cough, and other preventable diseases in early childhood, and a percentage of those who survive these infections sustain permanent injuries which add to the causes of degenerative diseases so fatal during the middle years of life.

The International Classification of the Causes of Death was followed in compiling the mortality statistics of the year 1916, but about three thousand years ago Solomon said, "The rich man's wealth is his strong city: the destruction of the poor is their poverty." And Solomon was the wisest man that ever lived!

**Relation to poverty.** Infant mortality rises and falls with the incomes of fathers, and when a family lives in a sty on less than a living wage, that family begins to adjust itself to its environment by dying off. It is self-evident that men are not created with an equal chance of survival so long as one is born in a palace with every care that money can buy, and another is born in a hovel where his mother dies from neglect.

The great underlying causes of premature death are ignorance, vice (including intemperance), and poverty, these three, and the greatest of these is poverty.

In the overcrowded tenements of big cities, large numbers of little children die from malnutrition and lack of care. Their mothers have neither the means nor the understanding necessary to provide proper food for them. These are the breeding-places of disease. Here death lurks. This is his

great field. But he is not limited to the slums. He has a long arm. By means of infection he reaches out over the city and gathers his toll from among the children who enjoy all the protection that wealth can supply.

The principal carriers of venereal disease are professional prostitutes. Therefore, this scourge is also traceable to poverty, for well-to-do women rarely become professional prostitutes. Many a rich man dies of poverty — the poverty that degraded the woman who waylaid his youth and left him with a constitutional taint that wealth could not wash out of his blood.

**Venereal diseases.** Venereal diseases we have always with us, and in view of their virulently contagious nature, our social habits, and our affirmatively deaf, dumb, and blind attitude in this connection, it is amazing that so many people have escaped contamination. The history of these disorders unmistakably indicates that we value our reputations far more than we do our lives. We have held our tongues and set our faces against these loathsome affections. As a choice of evils we have preferred to entertain them in secret, rather than discuss them openly. The “unmentionable” diseases are well understood, and would have been as rare as rabies before this time but for the personal responsibility involved in their transmission. Carriers have been shown every consideration. Their feelings have always been respected. If the carriers of rabies had been treated in this way the world would have run amuck with hydrophobia long ago. But rabies is a dog-borne disease, and when it breaks out we muzzle the dogs and the hydrophobia is nipped in the bud.

The *Treponema pallidum* and the *Gonococcus* were not recognized in polite circles before the War. These microscopic miscreants were not considered fit to associate with respectable germs like the *Bacillus tuberculosis* and the



*Bacillus diphtheriæ* in the city laboratory or the health office. But war is a great leveler. It is no respecter of persons, parasites, or destructive micro-organisms. A bacillus may prove more deadly than a bullet; the activities of the obscure cootie may do more damage than a Zeppelin; and our War Department has very wisely conducted an offensive campaign against all these enemies of our country.

The effect of our mental attitude upon this disease has been discouraging. In spite of the fact that we have steadfastly refused to admit its existence, it "constituted the greatest cause of disability in the Army" (Surgeon General). Five sixths of it was inducted with the draftees, and one sixth was acquired afterward from civil sources. The social organizations and health agencies throughout the country are coöperating with the Army in the nation-wide campaign against "the greatest cause of disability," and the results are already such as to justify the hope that complete eradication may be effected before many years if the good work goes on as it should.

**Our clean army.** It is significant that less than one per cent of the boys from the Northwestern States, where illiteracy is comparatively nil, were infected. This confirms the contention that education is an important health measure. The venereal scourges were formerly increased by warfare, and spread broadcast by returning soldiers. But the preventive practices in the Army have been attended with such success that our soldiers, returning clean from the camps, will be warranted in demanding a bill of health from their own home towns.

War and pestilence are boon companions and a world war without a world plague would be a historic anomaly. Preventive medicine has met and vanquished most of the old plagues, including cholera, smallpox, typhus and typhoid fevers, in addition to the septic infections following wounds.

But the forces of evil are hard to beat, and when the cost is finally counted, the plagues of the past compared with the strange plague that has just swept over the earth, will seem like the wars of the past compared with the one we have just experienced.

**The new scourge.** This disease was epidemic in the United States in 1916. It came insidiously in the guise of "influenza" and attracted very little attention, although 18,886 persons died from its effects. Had it been called "pneumonic plague" or "Bolshevitis," it would have been arrested at the ports of entry. It gathered force in 1917, and spread over the country during the later months of last year like an old-fashioned plague given the advantages of modern travel.

The American Public Health Association held its annual meeting in Chicago recently. This was the greatest public health conference that has ever been assembled. The principal topic discussed was the "unknown disease" that had invaded the Nation. The sum total of definite information was that in three months' time approximately four hundred thousand people had died from this strange malady (most of whom were between twenty and forty years of age); that it kills by inducing a secondary pneumonia; and that those who go to bed at the onset and stay there until at least a week after full convalescence is established, usually escape the death-dealing complication.

On account of its vast range this has been the most fatal epidemic that the world has ever experienced. A London paper has estimated that six million people died during the year from this disease alone. It is a greater menace than war. Nothing should be left undone to identify it, in order that rational means of prevention and treatment may be adopted in case of its recurrence. This and other epidemics are far more likely to recur than the War, and

the death records show that they are attended with a higher mortality.

**Woman's supreme part in reconstruction.** Reconstruction has a terrible meaning for the women of the world. It is their part to make good the loss in human life. The greatest wonder of the War is the way in which women have lifted the burden of labor from the shoulders of men and set them free to fight. There is probably no industrial occupation for which women cannot qualify. They have demonstrated that they are perfectly capable of doing the "chores" of the world. But they have a bigger job. By virtue of a divine function coupled with human intelligence they have the power of giving or withholding the life of nations.

This is God's supreme commission. Man is woman's great work. Cell on cell she builds him up and delivers him to the world at the risk of her life. His survival depends upon her sacrifice, and God gave her mother-love to make that sacrifice a joy. During his infancy she nourishes him at her breast. This service is its own reward. Life holds nothing half so sweet. Did you ever see a mother look down at her nursing babe? He is her treasure. He is the hope to which she has dedicated her life. Throughout his childhood she guards him and cares for him according to her light, and if he dies love's labor is lost and her heart is buried with him. But when he lives and grows and his mind unfolds and he finally reaches man's estate, this is the fulfillment of the law of love. Did you ever see a mother look up at her son? He is her finished product. He is her gift to the world.

Woman has had too little respect for the creative power with which she is endowed. She has been too prolific in the past — too lavish with her wealth of human life. Without legal or intellectual control of her person, she has poured a living stream of children into the maw of Moloch and their

cries are on her conscience. There is nothing that women are not willing to do for men, gladly, joyously, but why should they be called upon to suffer and die by the thousands every year for the sake of bearing children that perish before they are five years old, because of health and economic conditions over which their mothers have no control?

**Men's neglect of human welfare.** The city, State, and national fathers have been running this our mother country since the beginning, and considering the lop-sided scheme of things they have done fairly well. They have represented men only, and the records would seem to indicate that men are not primarily interested in humanity. They are manifestly more concerned with enterprises of great pith and moment and variety, involving wealth and power and privilege. Men are the builders of the material world and they are interested chiefly in the work of their hands and hearts and brains. But woman's work is humanity itself, and in the interest of humanity she should be given her full and rightful share in the reconstruction and the future conduct of the nations of the earth.

Child-welfare workers often call attention to the fact that large sums are expended by the Nation yearly for the purpose of fostering animal industry. The amounts appropriated for child-welfare as compared with pig-welfare are very properly held up to scorn. But this is a perfectly natural thing under the existing system. Child-welfare is woman's work, and woman has only a wee, small voice in the affairs of the Nation. But men are interested in pigs. Ham, bacon, sausage, lard, head-cheese, and hair-brushes are commercial commodities. What would the packers do without pigs? Pigs are pork!

The subject of population is paramount at present, and this involves the rights and privileges of parous, parturient, and nursing women. The leaders of the dominant nations

are looking into the future apprehensively— but why worry? The world has the habit of going round and it will probably keep right on in spite of all the indications to the contrary. There is at least one encouraging sign. Women are beginning to take more than a private and personal interest in this vital issue, and it is to be hoped that their intimate and sympathetic knowledge of all that it involves will show them the way for which men have been groping in the dark so long.

The birth-rate during the War. After the War had been raging a couple of years and the young men in the countries actively engaged had been slaughtered by the hundreds of thousands, and as many little children had died of hardship and hunger, it was observed that the all too low birth-rate which had prevailed previous to the War had suddenly fallen about fifty per cent in France and somewhat less in England. More people were going out of that part of the world than were coming into it. Half the yearly increase had already been lost and the birth barometer was falling steadily. The direct damage of all Germany's infernal machines had not been so great. National extinction loomed on the horizon. The statisticians got out their pencils and figured their countries off the earth. This was alarming. Something had to be done to arouse the people and avert the impending euthanasia.

The falling birth-rate prior to the War was doubtless due in large measure to voluntary sterility maintained for the purpose of escaping the suffering, danger, personal sacrifice, and economic burden of child-bearing and child-rearing. The War intensified all of these motives and created others far more impelling. Men were inducted into the armies. Women were inducted into the essential industries. Food was scarce. Fuel was out of the question. The bare necessities of life were precarious and the future

so uncertain that prudent women were loath to leave lucrative employment and face the inevitable tragedy of helpless motherhood.

From the standpoint of the State it was important to have children. But from the standpoint of the average individual it was a personal calamity and a crime against the unbegotten too terrible to contemplate. The solons of the nations so rapidly and painlessly approaching their finish would gladly have passed laws providing a surplus population. But how to enforce them? That was the question. Urged by the imminent danger and their utter inability to meet it by any available means, these good men and true began calling aloud for babies. The doctors, preachers, philanthropists, and other social specialists took up this patriotic cry, and it is still heard throughout those lands.

**Criticalness of the problem.** Give us babies or we perish — nationally. We lose our jobs. This is a serious matter. The infant industry must be encouraged. Plans were formulated forthwith. Committees were appointed. Inducements were offered: bonuses; gratuities. And the women of all nations are reading the reports of these committees and looking these gift horses in the mouth.

The minute the matter of population is put on a business basis a woman's earning capacity must be taken into account. During the War the average Frenchwomen could earn eight or ten francs a day, on which she was able to live. It is obvious that it costs more to sustain a woman with a child, or several children, and given the earnings of the unencumbered working-woman as a basis for comparison with the divers and sundry "allocations" designed to induce motherhood, it is clear that the designers had not got within thinking distance of the subject.

One French law allows a helpless woman a franc daily for a period of four weeks immediately preceding and following

the birth of her child. This is one franc daily more than she gets in most other countries, but it will scarcely affect the census of the next generation. Some patriotic employers in the profitable war industries gave small bonuses to their women workers at the time of their confinements, but as a matter of fact most of the women who became pregnant were obliged to give up their positions long before that time came. The maternal canteens were of great assistance to such women, and also to nursing mothers, but these were maintained largely by private philanthropy and there is no guarantee that they will be continued.

The "homes" usually provided for prospective mothers in different parts of the world are not such as to encourage the undertaking, and one glimpse into the delivery ward of the average great maternity hospital (maintained primarily for the purpose of teaching obstetrics) would tend to diminish any desire a woman might entertain for an intimate personal acquaintance with the institution.

A characteristic attempt to solve it. The British Health of Munition Workers Committee made a report that is interesting in this connection. On investigation it was found that in some munition factories it was customary to discharge a woman as soon as it was discovered that she was pregnant, and also, in order to save themselves trouble and possible loss, landladies usually turned such women out of their lodgings betimes. "In many overcrowded districts the lying-in hospitals are notoriously inadequate, and the workhouses are the only places to which women can go for their confinements."

A maternity scheme for the assistance of munition workers was considered and approved by this committee. Here is part of it:

Maternity homes should be established for women who cannot be confined at home or in their lodgings. . . . Exchequer grants

would be necessary for the establishment of such homes, and also to make good deficits in the cost of working and maintenance, *but the greater part of the maintenance expenses should be met by payments from the women themselves.*<sup>1</sup>

These women were doing double military duty, and while they were disabled they were expected to pay for their care in these homes. This seems almost like charging soldiers wounded in the service for care in the hospitals.

The recommendations of this committee regarding nursing mothers are also noteworthy:

It is sometimes suggested that nurseries should be close to factories, so that a mother may be able to nurse her baby during the dinner interval. On the whole the committee think that it is not usually desirable to have the nursery in close association with the factory, however, partly because it entails bringing babies or little children, night and morning, on trains which are often already overcrowded. Further, the usual interval of an hour is scarcely sufficient for the mother to get her own meal and feed her baby, unless dinner can be provided for her at the nursery.

A nursing mother with a full breast and a hungry baby might have made a practical working member of that committee.

A French example of child care. Nurseries were finally established in connection with many of the factories in France and England, where working mothers could nurse their babies at three-hour intervals. In one of these places I met an employer who had developed a paternal pride in his family of sixty infants. Nothing was left undone that would add to their comfort and welfare. He knew just how much they ought to gain in weight every week. He watched their records as though they were baseball scores, and if they didn't make their averages somebody had to explain. In their healthful quarters they had grown roly-poly and rosy.

<sup>1</sup> *Italics mine.*



They had developed dimples in their knees. And whenever he came in they cooed and smiled up into his face as though they were grateful because he had not taken their mother's milk from them and turned it into money.

Responsible fatherhood is the highest human development, and those little babies were developing a high type of human being. That man had found the blue bird of happiness in his own factory. He had made a wonderful discovery. He didn't need to leave this world in order to get to heaven. The kingdom of heaven on earth is the kingdom of little children, and he had created a heaven for himself. He had become so fond of those babies that he had begun to dread the passing of their infancy, and in order to prevent the necessity of their moving away to a less salubrious place he was beginning to plan a nursery with playgrounds for older children.

**Prevention of disease.** The first principle in the prevention and cure of disease is to remove the cause. This applies as truly to disease as it affects the entire population as it does to the individual case. The rational means of curing a fever due to an abscess is to remove the abscess; or preventing typhoid fever due to a defective water system is to correct the faults of the system.

The great predisposing cause of premature death is poverty. Illiteracy, intemperance, vice, dirt, and disease are intimately associated with destitution, and any social scheme that insures a fair standard of living will reduce the death-rate. We should have not only minimum wages upon which men and women can live without working themselves to death, but we should have minimum standards of living below which human beings should not be permitted to fall. If there are people who really want to live like swine, let them live in some other country.

The entire health service throughout the Nation is much

concerned about the abatement of nuisances. A nuisance, according to Blackstone, "signifies anything that worketh hurt, inconvenience, or damage." It is self-evident that conditions that condemn millions of people to premature death are public nuisances that should be legally abated without loss of time.

Rapid evolution leading to the establishment of an economic democracy, practical education, woman suffrage, prohibition — these are fundamental health measures. They work together against poverty, illiteracy, intemperance, vice, dirt, and disease.

Prohibition is the greatest public health measure ever adopted by a nation. Directly and indirectly it will affect the health of a large proportion of the population. It will tend to diminish the degenerative diseases which may be induced or aggravated by intemperance. It will remove one of the chief causes of poverty, and thereby reduce the number of those ailments due to destitution from which little children suffer so much. Accidents, murders, and suicides will be prevented by this measure, and the higher percentage of sobriety which follows its enforcement will surely result in a lower percentage of venereal disease.

**Coördination of health agencies demanded.** As matters now stand the health agencies of the country are in sad need of organization and coördination. In addition to the public health bureaus, national, State, county, and municipal, which might be advantageously combined in many instances, the private health societies are all operating independently, gathering and spending money and proudly proclaiming remarkable achievements which the mortality statistics quietly contradict at the end of the year.

There are fifty or more volunteer health organizations and most of them are doing good work, but their possibilities are limited by the lack of coördination. The American

Red Cross might be taken as a model for a national health organization. As a matter of fact it is a national health organization, reaching into villages, hamlets, and remote parts of the country where no other health agency is in existence, and the value of its service to this Nation during the recent epidemic is absolutely inestimable.

Red Cross emergency hospitals sprang up everywhere. Red Cross men and women devoted themselves to the community service. Milk stations were installed, and hospital supplies, warm clothing, and blankets by the carload were provided for both civil and military use. It is a question whether any or all public health agencies put together were able to accomplish as much as the American Red Cross at the time of our national need. This society was ready when the call came. It had been organized for war service, and therein was its strength.

During the War the Red Cross supplemented the Army, Navy, and the United States Public Health Service in every possible way. It is doubtful if any organization effected during peace times could command such universal support. By supplementing the national, State, and municipal health agencies this society might make itself as valuable to the Nation in times of peace as it has been throughout the War.<sup>1</sup>

At any rate, there should be a national health association

<sup>1</sup> A Red Cross committee representing the United States, Great Britain, France, Italy, and Japan is formulating a post-war program of Red Cross activities in the interest of humanity to be submitted to the international conference which has been called to meet at Geneva thirty days after peace shall have been declared. Since the foregoing chapter was printed, Mr. Davison, chairman of this committee, has announced that the present thought of the committee, is that the first peace effort of the Red Cross should cover the subject of public health and sanitation including nursing, child welfare, tuberculosis, malaria, and other infectious diseases. The possibilities of such a program for world relief are immeasurable. It is conceivable that international health activities might have prevented the current pandemic from which millions of persons have died.

auxiliary to the official health agencies, coöperating with the women's organizations of the Nation, coördinating and thereby increasing the usefulness of other health societies. This plan would conserve funds and energy, and these combined forces working together should establish health centers that would reach as far as the remotest rural school in the country.

The community health centers, or chapters, should be subordinate to the county, State, and national society of which they are constituents. They should be supervised by the State board of health, and it should be the duty of the State health officer and his staff to lend every possible assistance to their efforts for local betterment. A coöperative plan should, of course, be effected between the State board of health and the extension divisions of universities, colleges, and other school organizations, for the furtherance of this work. And educational health exhibits devoted particularly to the presentation of health needs of the community and practicable means for the prevention of diseases to which the different sections of the country are liable, should be shown at the county and State fairs.

**Public health education.** It goes without saying that the public is sadly in need of education regarding matters pertaining to health in which every individual is personally interested. Literature issued by the State and national health departments, including pamphlets and bulletins on water-supply, sewage disposal, balanced diet, and subjects of practical interest to special communities, should be distributed from these centers. Lectures should be arranged and pictures shown. Instruction should be given in the care of children, and the needs of prospective mothers should receive sympathetic attention. The work of rural nurses would be facilitated by such an organization of the health forces.

Under present conditions it is difficult for people living in the country to get proper care in case of sickness. The cost is prohibitive. To obviate this hardship some health insurance plan might be worked out. A coöperative scheme, with State assistance, perhaps, might provide for the services of physicians, nurses, and hospital care when necessary. This is especially needful for the protection of child-bearing women and their babies. It is a pity that death cannot be made a common loss, a pocket-touching experience to a community as well as a personal calamity. If the death-tax indicated the death-rate, those who paid the bills would be interested in maintaining healthful conditions, and the health officer would have the united support of the community in which he served.

In rural communities the water-supply and sewage disposal are still the principal health problems. The cities have gone further in regard to these important matters. The necessity for a pure water-supply is fully appreciated, and no expense is spared to provide it. But what about the milk-supply? The milk-supply is just as important as the water-supply, and when we depended upon private enterprise to deliver water, the supply was, perhaps, a little less precarious and polluted than our milk is now. While we have babies we must have milk, and it is the first duty of every city to see that its babies have pure milk.

Milk is life to little children. It is their sole sustenance, and it should not be subject to the fortuities of trade. Traffic in milk is traffic in life — the life of helpless infants.

**Pure milk** — How can it be secured? All kinds of laws purporting to regulate the milk-supply have been enacted, but cities will never get a pure milk-supply until they go into the milk business, and the sooner they do it the fewer babies they will lose. This is perfectly feasible. Dairies might be maintained in the country, and milk depots in

every health center in the city. Milk might be sold at the cost of production, and in cases where parents were unable to pay for it, some plan to save their children from suffering might be made operative.

There might be a baby clinic in connection with these milk depots and health centers, where mothers might be encouraged to bring their babies to be weighed at intervals, in order to be sure that they were being properly nourished and developing normally.

All large cities maintain extensive laboratories for the examination of milk, and an army of inspectors to watch the different places and persons engaged in the business. Why not save the money and start a milk-producing and distributing system that does not need so much watching? This would give productive employment to a large number of returning soldiers, and a man who is a man would rather have an honest job milking a healthy cow than to occupy the false position of a person who is paid a salary to see that milk from tubercular cows does not reach the infant consumer without being properly pasteurized, when he knows in his soul that it is impossible to prevent this wicked thing happening.

**The quarantine problem.** Our quarantine regulations work a double hardship on poor people with large families. During epidemics in places where hospital facilities are inadequate, it is necessary to quarantine homes as a measure of public protection. This usually means that young children are confined in close quarters with a case of contagious disease. The sustaining member of such a family is either quarantined with the rest, and thereby deprived of his employment, or excluded from the home. The increased cost of living due to sickness is further increased in this way. These people have the same right to protection as the public at large, but instead of getting it they are officially subjected

to a forced infection. One after the other is likely to develop the disease, the danger to life and health is increased in proportion to the number interned, the life of a young mother is jeopardized (the most valuable of all lives, for if she dies her children are less likely to survive), the quarantine is lengthened to the last possible point, and these poor people are compelled to pay a large part of the cost of protecting the public from which the contagion was originally contracted.

**Hospitalize all contagious cases.** Every city should be prepared to hospitalize all cases of contagious disease. Effective segregation cannot be maintained in any other way. This plan would obviate the necessity for quarantining homes, which usually spreads an infection through an entire family, multiplies the chances of a general epidemic, and works an unjust economic hardship on the hapless victims. These diseases belong to the public. They are spread by the public, and they should be cared for at public expense, except in those instances where people are well able to bear the financial burden.

The need for pre-natal clinics and maternity hospitals is equally great. Every child-bearing woman should be guaranteed the best possible care while she is in this service. The charges in private maternity hospitals are beyond the reach of people in ordinary circumstances, and the public ward of a lying-in hospital is the last place where a sensitive woman would want to go.

Maternity hospitals should be maintained by municipalities and a cost-covering fee should be charged people who are able to pay, and women who are unable to pay should not be subjected to humiliation on that account. There is no danger of pauperizing a parturient woman or a new-born babe. Nature has already pauperized them. They must depend on somebody. Under fair conditions a husband and

father should be able to make proper provision, but in any case it should be the human duty of every person in every community to safeguard such a woman.

Any reconstruction plan which makes for social betterment will improve the health of the Nation. The prevention of tuberculosis, the abatement of industrial diseases, and the reduction of infant mortality, are some of the problems which must be met by the health agencies. In addition to a large number of measures promising indirect benefit, special health programs have been recommended by the Labor Department, the Children's Bureau, and the United States Public Health Service.



## IX

### THE CHILD AND THE NEW ORDER<sup>1</sup>

MARY ELIZABETH TITZEL

“There is no wealth but life. That country is the richest which nourishes the greatest number of noble and happy human beings.”  
*Ruskin.*

**Lessons from the War.** The experiences of the nations during the War furnish a valuable ground-work for a reconstruction program of child welfare; for the War so intensified many peace-time problems as to make them immediate and unescapable and crystallized into action theories concerning the public protection of children that had slowly developed during the past half-century. Almost every country has contributed during the War something that is of value in formulating a scheme for child-welfare work in peace time. These war-time contributions are remarkable, first, for the tendency to put the responsibility for the protection of children upon the State, and, second, for the emphasis they place upon preventive measures. They have emphasized

<sup>1</sup> *Editors' Note:* Shortly before sailing for Europe late in the year 1918, Miss Julia Lathrop, Chief of the Children's Bureau, United States Department of Labor, acceded to our request to provide a monograph on the subject of child welfare. It was, however, necessary for her to have the actual work of assembling and arranging the materials done by another hand and she selected for the purpose one of her aids in the Bureau, Miss Mary Elizabeth Titzel. The chapter here presented was prepared by Miss Titzel. As it came into our hands it was accompanied by a separate section on "Children in Need of Special Treatment," which had been prepared by Miss Emma B. Lundberg, also of the Children's Bureau. Miss Lundberg is a recognized specialist on the topic she treated and the editors deeply regret the necessity, due to space limitations, of excluding her contribution from these pages.

the fact that child-welfare work, while it cannot and would not ignore the exceptional child, must have, as its chief aim, the protection of all children from harmful influences and the provision for all children of opportunities for growth and development.

The "Children's Year." Upon the anniversary of the entry of the United States into the War, the Children's Bureau of the United States Department of Labor, in coöperation with the Council of National Defense, inaugurated a year's campaign in the interest of children. The program for this "Children's Year" might well be taken as a point of departure for a reconstruction program of child welfare in the United States; for it has as a background, not only the very valuable work done in Europe during the War, but the five years' intensive study that has been made by the Bureau into conditions affecting children in America.<sup>1</sup> The program is included under five main topics, four of them concerned primarily with the needs of normal children living in their own homes, and the fifth concerned with the problems of children whose homes have broken down or who are otherwise so handicapped as to be in need of special care. These topics are as follows:

1. Public protection of mothers, infants, and young children.
2. Home care and income.
3. Child labor and education.
4. Recreation.
5. Children in need of special care.

Though these topics were formulated with an eye to war-time needs, the very fact that they, in a measure, anticipated and sought to guard against the breaking-down of the social structure at its weakest points under long-continued

<sup>1</sup> Children's Year Leaflets, Nos. 1 and 3 (Children's Bureau Publications, Nos. 36 and 40). Washington, Government Printing Office, 1918.

war, makes them of value now; for the weak points of our social structure are the same in peace as in war.

**Infant and maternal welfare.** No phase of child welfare has received so much attention during the War as have the problems relating to infancy and early childhood.<sup>1</sup> The War has brought home the enormity of permitting the needless waste of life represented in the deaths of thousands of infants and young children each year. There is a growing conviction in the world that no nation can truly prosper unless it seeks to remedy the conditions that result in death for thousands of babies and little children. Those same conditions, it is beginning to be realized, sentence thousands of the children who survive them to lives of unhappiness and ill-health and inefficiency. The rejection of men from the armies for physical defects, many of which had their origin in infancy and childhood and might have been remedied if taken in time, have alone been sufficient to bring home the necessity of better protection for children. In our own case those rejections amounted to 29.11 per cent of the men examined in the first draft.<sup>2</sup>

**Child losses in America.** Incompleteness of death registration makes it impossible to ascertain exactly the annual number of infant deaths in the United States. It is estimated, however, that we lose about 300,000 children under five years of age each year, at least half of them from preventable causes. Our infant mortality rate for 1916 was 101 per thousand live births for the birth-registration area, which included in that year 32.4 per cent of the total population. That an infant mortality rate need not be so high

<sup>1</sup> Grace L. Meigs, M.D.: "Infant-Welfare Work in War-Time," *American Journal of Diseases of Children*, August, 1917, vol. xiv, pp. 80-97.

<sup>2</sup> *Report of the Provost Marshal General to the Secretary of War on the First Draft under the Selective Service Act, 1917.* Washington, Government Printing Office, 1918, p. 24.

may be deduced from a study of the following table, which shows the infant mortality rates for ten foreign countries:

INFANT MORTALITY RATES IN DIFFERENT COUNTRIES FOR SPECIFIED YEAR (DEATHS UNDER 1 YEAR PER 1,000 LIVE BIRTHS)

Country	Infant mortality rate*
New Zealand (1917) †.....	48
Australian Commonwealth (1915).....	68
Norway (1914).....	68
Sweden (1918).....	70
Netherlands (1915).....	87
Switzerland (1914).....	91
Ireland (1918).....	83
Denmark (1915).....	95
England and Wales (1916) ‡.....	91
United States (birth registration area, 1916).....	101

\* All rates, with the exception of those for New Zealand and England and Wales and Ireland, were obtained from *Birth Statistics, 1916*, Bureau of Census, p. 19.

† *Annual Report*, Central Council and Dunedin Branch, Royal New Zealand Society for the Health of Women and Children, May, 1918, p. 14.

‡ *79th Annual Report of the Registrar General, of Births, Deaths, and Marriages in England and Wales, 1916*, vol. LXXXV.

**Remedies for excessive infant mortality.** That infant mortality rates can be lowered is shown by the experience of New Zealand where ten years of active effort in behalf of mothers and children have seen a gradual reduction of the infant mortality rate until that rate is now the lowest reported for any country.<sup>1</sup> Both England and Germany, moreover, even in the midst of war, effected a reduction in infant mortality rates which it is safe to attribute, in part at least, to special endeavors in behalf of children. The records of dozens of American communities can be produced to show a gradual lowering of infant mortality rates simul-

<sup>1</sup> New Zealand Society for the Health of Women and Children: An example of methods of baby-saving work in small towns and rural districts. Children's Bureau Publications, No. 6. Washington, 1914.

taneously with the development of organized work for the protection of infancy. There can be small doubt of the efficacy of such work. The question seems simply one of method.

Perhaps the most important tendency that is to be noted in recent methods of infant-welfare work, is the tendency to get back to first causes. In the past we have worked backward. At first we were concerned only with the sick or the defective or the pauper. Then we became interested in prevention, and agitated ourselves against communicable diseases, impure milk, and unhealthful surroundings. Then we added to our program the education of the mother in child care. Now we are beginning to realize that the previous health of a child's parents, and especially the condition of the mother during pregnancy and in confinement, have a very important bearing upon the child's chances for health and happiness.

**Care of mothers is fundamental.** Infant-welfare work in Europe during the war emphasized most strongly the public protection of maternity as essential to any effective protection of infancy. That better protection for mothers is needed in the United States is shown clearly by available figures.<sup>1</sup> Each year in the United States some sixteen thousand mothers die in childbirth from causes which are largely preventable. The effect of neglect of the mother reaches beyond her to her children. The infant mortality studies conducted by the Children's Bureau have shown that life is especially hazardous for the motherless child.<sup>2</sup> These studies and studies of maternal mortality made by

<sup>1</sup> Grace L. Meigs, M.D.: *Maternal Mortality from all Conditions Connected with Childbirth in the United States and Certain Other Countries*. Children's Bureau Publications, No. 19. Washington, 1917.

<sup>2</sup> Estelle B. Hunter: *Infant Mortality: Results of a Field Study in Waterbury, Conn., based on Births in One Year*, Children's Bureau Publications, No. 29. Washington, 1918.

the Bureau, show, moreover, that many mothers not only do not receive the care necessary for their own and their babies' safety, but cannot obtain it. Even in cities where, as a rule, hospital and medical care are available, many women are not informed of the necessity for proper prenatal care, skilled attendance at confinement, and competent nursing service immediately after childbirth. In rural districts remoteness from towns, combined with bad roads and lack of facilities for transportation and even for communication, adds to the difficulties of obtaining proper care for mothers. The studies made by the Children's Bureau in rural sections of various States have revealed:

1. That maternal mortality rates are in many rural districts higher than the average for the United States as a whole.

2. That a majority of rural mothers in the districts studied receive no advice and trained care during pregnancy and that many have no trained attendance of any kind at confinement.

3. That hospitals, doctors, and nurses are not only inaccessible, but often entirely lacking.

There is practically no organized effort in rural communities of the United States to meet the need for instruction in prenatal and infant hygiene and for trained care during pregnancy and confinement. There is, however, at the present writing, a bill before Congress which provides Government aid for States undertaking work for mothers and children. No one can doubt that there should be available to all mothers in both city and rural districts opportunity for physical examination, instruction in their diet and general hygiene during pregnancy, skilled care at confinement, and expert advice on the care of their babies in health. From the work that has been developed in many cities in the United States and abroad, it is apparent that a staff of well-

paid visiting nurses,<sup>1</sup> working under competent medical direction and able to instruct mothers in the hygiene of pregnancy and the care of well babies, is essential to successful infant-welfare work.

Another essential is the consultation center<sup>2</sup> where mothers may go for advice and examination by a physician during pregnancy and to which they may bring well babies for medical supervision. The object of such a center is primarily an educational one; cases needing treatment are referred to a private physician, clinic, or hospital. The Maternity Bill now before Congress will make the nursing service and the consultation center available for rural mothers as they are now available for mothers in many cities; it will provide instruction for girls and women in maternal care and hygiene and in the care and feeding of infants; and it will, where necessary, make provisions for hospital care and medical treatment. Infant-welfare work of this sort is not a charity any more than is the work done by agricultural demonstration agents in rural communities. It is simply a means of protecting the community, through practical education, against the loss involved in preventable human misery.

**The pre-school age.** The years between two and six have been called the "neglected age" of childhood. It is true that the public to the present date has taken small interest in the welfare of the child who has passed beyond the total helplessness of infancy and has not yet come under the protection of the school; yet the pre-school age is one of the important periods of life. It is a period of intensive development of body and of mind. From his first to his sixth year the normal child should gain at least five pounds yearly in

<sup>1</sup> *The Public Health Nurse: How She Helps to Keep the Babies Well.* Children's Year Leaflet, No. 6 (Children's Bureau Publications, No. 47). Washington, 1918.

<sup>2</sup> *Children's Health Centers.* Children's Year Leaflet, No. 5 (Children's Bureau Publications, No. 44). Washington, 1918.

weight and three inches in height. Bones are hardening; muscles strengthening; brain and nervous system are developing, as are many other organs. The young organism, deprived of the immunity gained from the mother *in utero* and through breast-feeding, and not yet having established its own immunity, is at this time particularly susceptible to disease; the developing mind is alert to impressions; habits of living and thinking are being formed. And yet the child in those tender, formative years too often is not only ignored by the community, but neglected by a busy mother. He does not get the proper food. Studies made by the Children's Bureau in several large cities to find out whether babies and little children are getting enough milk to drink have revealed that many children between two and seven do not receive any milk — though milk is an essential food for proper growth and development.<sup>1</sup> In many cases, indeed, the young child has been found to be receiving the family diet, including tea and coffee and other unsuitable foods. Often children of pre-school age are left largely to the attention or neglect of the older children of the family, to pick up speech and manners that may or may not be good, and frequently to pick up the colds and "children's diseases," which many mothers still regard with the indifference of fatalists.

**Baby clinics — Weighing and measuring.** The nationwide weighing and measuring test<sup>2</sup> for children under six years old, which was the first activity of the "Children's Year," has awakened many communities to the plight of the pre-school child. Many small children have been found to be under weight for their height; and where a physical

<sup>1</sup> *Studies in the Use of Milk by Families Having Little Children.* Children's Bureau Publications, Washington, 1918.

<sup>2</sup> *Children's Year: Weighing and Measuring Test.* Children's Year Leaflet, No. 2 (Children's Bureau Publications, No. 38). Washington, 1918.



examination has been made in connection with the test, parents have learned of defects in their children — malnutrition, enlarged tonsils and adenoids, infected glands, rickets, cardiac diseases, and tuberculosis — defects that may be remedied if taken in time, but that are likely to result in future ill-health and unhappiness if they are neglected. To all this may be added the danger to mind and character involved in lack of proper care and supervision.

**Home care best.** What is needed is better knowledge on the part of the mother and of the community concerning the needs of the pre-school child, especially the necessity of proper diet and of protection against the common contagious diseases which leave so many ills in their train. There should be within the reach of every mother a consultation center to which she may take children between two and six years of age for advice concerning care and feeding and for periodic examination by a physician. Such work will do much toward fitting children to enter school in a good physical condition. But of course the prime need for all children of all ages — a good home and a mother's care — is not dependent solely upon intelligence or education. It is largely dependent upon family income. Infant-welfare stations, children's health centers, the visiting nurse, the school luncheon, the playground, the community center — all of these are admirable and will doubtless become more and more a necessary part of our national life; but none of them can or should take the place of the home. In an address delivered before the General Federation of Women's Clubs at Hot Springs last May, Miss Julia C. Lathrop, Chief of the Children's Bureau pointed out: "One great trouble with our overworked schools is that they are compelled to stop teaching and patch up children physically so that they are able to learn. Given intelligence *and adequate family income*, we shall be able to see all children go to school, as do all fortu-

nate children, well fed and clothed, with eyes and ears and teeth and feet and throats in order; and the school can put its full inventive genius in developing minds, not patching bodies."

**Home care and income.** The aim of modern child-welfare work must be to insure the proper care of the child by the mother in her own home. While such care is partly dependent upon the character and intelligence of the parents, it is dependent, even to a greater extent, upon the financial resources they have at their command. There is perhaps no better test of adequacy of income than infant mortality rate, which is, in the familiar words of Sir Arthur Newsholme, the most sensitive index we possess of social welfare. In every country and every age, extreme poverty and high infant mortality rate have gone hand in hand. "It is not race or climate, or the irreducible minimum of physical defect which account for a large part at least of the present infant death-rate. In the same towns, among people of the same stock, twice, sometimes three times, as many infants in proportion to the number born die in the wards where the poorer classes live as die in the wards where the well-to-do live. The excess is mainly due to ignorance, to malnutrition, to all the noxious influences that go with poverty. Not nature, but social conditions are to blame."<sup>1</sup> The findings of the Children's Bureau in connection with studies of infant mortality in seven American cities seem to bear out this statement. In each of the cities studied the infant mortality rates have been tabulated in connection with the earnings of the father up to \$1250. Data were secured about the fathers of 22,281 babies, including stillborn children. More than one fourth (27.7 per cent) of these fathers

<sup>1</sup> The Rt. Hon. Herbert Samuel, M.P., President of the British Local Government Board in the Introduction to *Maternity: Letters from Working-Women*. G. Bell & Sons, Ltd., London, 1915.

earned less than \$550 during the year following the baby's birth. Only one in ten (10.4 per cent) earned as much as \$1250. In general, as the following table shows, the infant mortality rate in all of the cities studied, increased as the father's earnings fell:

INFANT MORTALITY RATES BY FATHER'S EARNINGS

City	<i>Deaths of Infants under one year of age per 1000 live births, by specified annual earnings of father</i>		
	<i>All earnings</i>	<i>\$1250 and over</i>	<i>Under \$550</i>
All cities.....	110.0	59.1	147.2
Manchester.....	165.0	58.3	204.2
Brockton.....	96.7	73.5	67.1
Saginaw.....	84.6	22.2	142.0
New Bedford.....	130.3	59.9	168.7
Waterbury.....	122.7	68.4	151.1
Akron.....	85.7	40.0	117.5
Baltimore.....	103.5	64.7	138.0

**Meaning of the term "income."** Income is to be tested, of course, not by its size, but by what it can buy. If it does not permit of a decent home, it must be deemed inadequate. If it does not permit the mother to remain in the home and give her time to her children, again it must be deemed inadequate. In Manchester, New Hampshire, where there is a great demand for women workers in the textile trades, 679 mothers were employed during the year following the baby's birth; 885 were not employed. While the rate for the babies of mothers who were able to give their time to the care for their households was 122, that for babies whose mothers were employed outside the home was 312.9, and that for mothers gainfully employed in the home — taking in washing, keeping lodgers, etc. — was 136.<sup>1</sup>

<sup>1</sup> Beatrice Sheets Duncan and Emma Duke. *Infant Mortality: Results of a Field Study in Manchester, N.H., based on Births in One Year*. Children's Bureau Publications, No. 20. Washington, 1917.

That mothers of young children do not usually go to work unless there is real need for their earnings is shown by the fact that employment of mothers is commonest where the husband's wages are low. In Manchester, 65.7 per cent of the mothers whose husbands earned less than \$550 were gainfully employed during the year following the baby's birth, while only 9.5 per cent of the mothers whose husbands earned over \$1250 were so employed.

The effect of the employment of women upon the infant mortality rate is, as Sir Arthur Newsholme, of the British Local Government Board, points out, often obscured by other conditions attendant upon poverty, which themselves have a pernicious effect upon the health of mother and child until it becomes a question as to whether or not the extra money brought in by the mother compensates for the danger to herself and her children involved in her employment; but any work in or out of the home that imposes severe strain upon the pregnant woman, that prevents the mother from suckling her infant, and that hinders her from giving the older child proper care and supervision, is undoubtedly harmful.

During the War we found an international recognition of the importance of keeping up the home, in spite of difficulties, in the amounts of separation allowances and pensions, which have been generally larger than they have been during any previous war,<sup>1</sup> as well as in the extension of maternity and nursing benefits provided for mothers. Surely the home is as important in peace as in war; and it should be upheld by the provision of such a wage as will enable a man to support his family in comfort.

**Child labor and education.** The authorities of a commun-

<sup>1</sup> *Governmental Provisions in the United States and Foreign Countries for Members of the Military Forces and their Dependents.* Prepared under the direction of Captain S. Herbert Wolfe, Q.M., U.S.A., detailed by the Secretary of War. Children's Bureau Publications, No. 28. Washington, 1917.

ity where the law permits children to go to work at the age of twelve in case of need, once announced that they would issue the so-called "poverty" permits in the future only to "children with dependents." In spite of its apparent absurdity there is a great deal of bitter truth in this announcement. There are children with dependents. It is the old question, ever recurrent in child-welfare problems, of insufficiency of income. Many families are dependent upon the earnings of boys and girls to make up for the low wages, or in some cases the absence or incapacity of the natural wage-earner. Of course all the million children between fourteen and sixteen years of age who leave school in the United States each year to go to work are not forced into industry by poverty; many of them are unaware of the advantages of an education or are moved simply by youthful restlessness or distaste for school. But it is safe to say that every child who enters industry prematurely does his part to round out a vicious circle of ill-health, industrial inefficiency, low wages, unemployment, and poverty.

For this reason a reconstruction program should seek so far as is possible to protect children from excessive or premature employment, to coördinate their school life and their work life, making the one a more effective preparation for the other, and to provide for the child entering employment some guidance in the choice of occupation.

**Existing conditions.** Before formulating recommendations concerning child labor, however, it is necessary to take stock, briefly, of existing conditions governing the work and education of children in the United States. A new Federal Child-Labor Law, which provides for an excise tax upon the profits derived from the work of children, has just been passed. This law, in effect, prohibits the employment of children under fourteen in manufacturing establishments (including canneries) and of children under sixteen at any

time in mines and quarries, and in factories for more than eight hours daily or before six in the morning and after seven in the evening. The number of children affected by the Federal Child-Labor Law is small, however, compared with the total number of working children in the United States. Although exact figures relating to the employment of children are not to be obtained, the latest of any reliability — those of the census of 1910 — give the total number of working children between ten and sixteen years of age as in the region of two million, about three fourths of them employed in agriculture. Considerably under three hundred thousand children, according to the same source, were in occupations coming within the scope of the Federal Child-Labor Law. Since such occupations are as a rule those best regulated by State statutes, many of which have been passed during the past ten years, probably a far smaller number of children will be affected by the new law.

Even with the Federal law in force, children under fourteen will be able to work at some time and in some occupation in the majority of our States. Although the minimum age of fourteen years which is named by the Federal law is by no means high, many States permit children under that age to enter employment. Only six States fix a minimum age higher than fourteen, and of these five offer exemptions from the law. In three States no minimum age is fixed for any employment save in certain dangerous or injurious occupations. While only two of the States that have age restrictions have named a minimum age lower than fourteen years, this does not mean that children under fourteen cannot work in any of the thirty-eight States (including the District of Columbia) that have established fourteen years as the basic minimum age. In a large number of these States exemptions permit employment under fourteen in certain occupations, during vacation, or under other specified conditions.

When it comes to hours, a similar irregularity is found. The laws of seventeen States permit the employment of children under sixteen for more than eight hours a day and forty-eight hours a week, two States place no limit whatever upon a child's hours of work, and many, even, of the thirty States (including the District of Columbia) which fix an eight-hour day or a forty-eight-hour week either fall short of covering all occupations or, under certain conditions, exempt children from compliance with the law. Seven States have no laws forbidding night work for children; many other States prohibit the employment of children at night only in specified occupations; and of the sixteen States where the night-work prohibition for children under sixteen specifically applies to all gainful occupations (except, often, agriculture and domestic service), four permit employment to an hour later than that set by the Federal law.

Employment in agriculture or domestic service is generally exempt from the operation of the State laws. Even States that prohibit such employment during school hours usually fail to restrict it out of school hours. Yet children can work long hours at injurious tasks in homes and fields as well as in factories. The country child is singularly neglected. Not only are there few if any restrictions regarding his work, but his schooling is often greatly curtailed. The terms for rural schools are as a rule much shorter than those for city children and attendance laws are frequently not enforced. It is not surprising that more rural children than city children are "behind" in school or even that the country child often does not measure up to the city child in physical condition.<sup>1</sup>

<sup>1</sup> Ruth McIntire, *Children in Agriculture*. National Child Labor Committee, Pamphlet No. 284. New York, 1918.

Edward N. Clopper, Ph.D., *Causes of Absence from Rural Schools in Oklahoma*. Child Labor Bulletin, vol. vi, No. 2, August, 1917.

Edward N. Clopper, Ph.D., *Farmwork and Schools in Kentucky*. Child Labor Bulletin, vol. v, No. 4, February, 1917.

**A good law.** A good child-labor law should establish a minimum age of at least fourteen years, and preferably sixteen years, for employment in any occupation, including agriculture; should limit the working hours of children to at most eight hours daily and forty-eight hours weekly; and should prohibit work at least between 7 P.M. and 6 A.M. It should require that a child shall come up to certain standards of health and education, and should require physical examination and adequate educational tests for all applicants for employment certificates.<sup>1</sup> It should provide for efficient administration, including factory inspection, and should be accompanied by a law that will insure the attendance at school of the child who is not at work. Such a law represents, not the ultimate to be desired in child-labor legislation, but a minimum such as it is entirely possible to establish under existing conditions.

**Educational readjustment.** A program of reconstruction should not limit itself to legislation. It should concern itself with the provision of more schools, that no child shall be deprived, on account of the inaccessibility of the school, of the education to which he has a right in a democracy. It should aim for the better adaptation of education to the needs of modern life, and especially for the provision of vocational education under the Smith-Hughes Act which provides Federal aid for States establishing vocational training.<sup>2</sup> It should point to the need for compulsory, part-time continuation schools for all working children, at least up to the age of eighteen.<sup>2</sup> It should urge advice in regard to choice of occupation for all children and the placement of boys and girls leaving school in suitable occupations,<sup>3</sup> and

<sup>1</sup> Helen L. Sumner, Ph.D., "Standards Applicable to Child Labor," *Journal of Sociologic Medicine*, vol. xviii, No. 2, April, 1917.

<sup>2</sup> See Publications of Federal Board for Vocational Education.

<sup>3</sup> *Report of Bureau of Vocational Guidance*, Chicago Public Schools, 1916. *Vocational Guidance in Secondary Education*. A report of the Commission



medical inspection of all children in school and at work. Education of parents, children, and the public to the value of education, to the need for better schools, and to the harm resulting from early and excessive employment for boys and girls, is one of the big tasks of reconstruction.<sup>1</sup> A still greater task is to bring about a general recognition that an income adequate to keep his children in school until they are sufficiently developed in mind and body, so that they may go to work without danger to health or to future opportunities for happiness and usefulness, is the right of every American.

**Recreation.** A reconstruction program of child welfare, with its suggestions for measures to safeguard the child at home, in school, and at work, cannot be complete without some suggestions concerning recreation. Recreation is necessary to round out a wholesome life for children at every stage of development. That fact is corroborated in scientific treatises as well as in the homely experiences of mothers. It is corroborated from another, sterner angle by the records of juvenile courts.

The importance of recreation in community life has been emphasized during the War. The provision of clean, whole-

on the Reorganization of Secondary Education appointed by the National Education Association. Bureau of Education Bulletin, No. 19, Washington, 1918. *Advising Children in their Choice of Occupation and Supervising the Working Child.* Children's Year Leaflet, No. 10 (Children's Bureau Publications, No. 53). Washington, 1919.

<sup>1</sup> *Back-to-School Drive.* Children's Year Leaflet, No. 7 (Children's Bureau Publications, No. 49). Washington, 1918. *Suggestions to Local Committees for the Back-to-School Drive.* Children's Year Leaflet, No. 8 (Children's Bureau Publications, No. 50). Washington, 1918. *Scholarships for Children.* Children's Year Leaflet, No. 9 (Children's Bureau Publications, No. 51). Washington, 1918. *The Visiting Teacher.* Children's Year Leaflet, No. 11 (Children's Bureau Publications, No. 55). Washington, 1919. *The Employment Certificate System, A Safeguard for the Working Child.* Children's Year Leaflet, No. 12 (Children's Bureau Publications, No. 56). Washington, 1919.

some recreation in war-camp communities was part of our Government's program to keep up the morale of our men in training camps and of the inhabitants of near-by cities and towns. As a result we have had an army that has been freer, perhaps, than any in history from the old camp-followers, vice and drunkenness and diseases. And while providing for our army, the morale of our non-combatant citizens has not been neglected. In our first year of the War fifty-two cities, that had previously had no public provision for recreation, opened playgrounds and neighborhood recreation centers. Over two million dollars more was spent for playgrounds, recreation centers, and athletic fields during that year than had been spent in the year before the War.<sup>1</sup>

In the summer of 1918 the Children's Bureau, in coöperation with the Council of National Defense, inaugurated a "Recreation Drive" with a view to encouraging the kind of play that would increase the physical vigor of growing children and develop group action, and with a view, also, to fostering interesting and profitable leisure-time activities. The recreation drive culminated late in the fall with a Patriotic Play Week.<sup>2</sup> As a result of these activities new playgrounds were opened and new recreational activities established in many communities. Meager resources were turned to good account. In rural localities school yards were fitted out with simple, home-made equipment. Athletics became a part of school life. Schoolhouses were adapted to serve as community centers. In small towns useless courthouse squares were converted into playgrounds; plays and pageants were planned and presented. In crowded cities, streets were roped off for dances and "block parties."

<sup>1</sup> *The Playground*, vol. XII, No. 1, April, 1918.

<sup>2</sup> *Patriotic Play Week, Suggestions to Local Committees*. Children's Year Leaflet, No. 4 (Children's Bureau Publications, No. 44). Washington, 1918.

There is perhaps nothing that needs to be brought out more clearly than the fact that opportunities for recreation, "abundant, supervised, and free from exploitation," are necessary for all children, not merely for the children of the poor or for those in crowded, city slums. In the past a great burden has been placed upon instinct. Mothers were once supposed to know, by mother instinct, how to care for their children. Gradually, however, we have come to realize that the fondest mother, lacking direction, may kill her child through improper care. And gradually we are coming to realize that the play-instinct does not always teach children how to play — that it may, indeed, lead them into forbidden and dangerous ways. The right sort of recreation is a stimulus to mental and physical development and it is perhaps the greatest moral safeguard that can be bestowed upon youth. The provision of a legitimate "somewhere to go" and a legitimate "something to do" — positive substitutes for the old "thou shalt not" — becomes, accordingly, part of a community's responsibility toward all its citizens, but especially toward those who are young and eager for whatever of enjoyment or knowledge may be held out to them.

## X

### THE EDUCATIONAL LESSONS OF THE WAR

SAMUEL P. CAPEN AND CHARLES R. MANN

THE entry of the United States into the War immediately placed before the Government and the people three major problems. They were: (1) to raise an army and train it for modern warfare in the shortest possible time; (2) to equip and supply that army both in this country and abroad with a vast quantity of materials, some of which were not manufactured in times of peace; (3) to foster and maintain in the whole population a spirit of self-sacrifice and national service; in other words, to develop the people's morale.

Two of these problems were obviously educational problems; namely, the first and the third. The training of a large modern army made up of citizens of all classes and occupations was an educational task such as the Nation had never before undertaken. The polarization of the thoughts of all the people toward the national welfare, the steeling of the people's will to win at whatever cost to the individual, the clarification and intensification of the Nation's idealism — these processes which entered into the development of the national morale could likewise only be accomplished by educational means, deployed upon a scale hitherto unknown.

The second problem, that of supply, was found, upon examination and after costly trial and error, to be in large measure an educational problem also. There did not exist individuals enough possessed of the varying degrees of skill needed for the wholesale production of munitions and ord-

nance and aircraft and ships and food. In every one of these vital spheres of activity workers and leaders had to be trained before production rose level with the demands of the military establishment.

The Nation has therefore just passed through an educational experiment both intensive and extensive. Vast numbers of individuals have been subjected to intensive training for particular jobs, ranging in difficulty from crude blacksmithing to the oversight of large administrative enterprises. Still greater numbers have experienced the steady, subtle pressure of educational influences, directed from the seat of the Government and coextensive with the boundaries of the United States. We have constantly been assured by the billboards that "Food will win the War"; "Fuel will win the War"; "Ships will win the War." It is now possible to say with equal dogmatism that education *has* won the War. For seventeen months literally the whole country has been at school. Public realization of the fact may still be lacking, but the fact remains. In many cases the agencies which have conducted this great experiment have not been the orthodox instruments of education, although most of the established educational machinery has been used. This may, in part, account for the failure of the public to recognize what has happened.

Now that the crisis is over these new agencies deserve to be identified. Their methods, in so far as these have been new and unprecedented, deserve to be described. The lessons to be drawn from their experience for the future educational development of the United States deserve to be recorded. With these matters this monograph is concerned.

**Educational agencies in times of peace.** In times of peace the educational effort of the Nation is carried on primarily by local and State establishments. Public schools are maintained chiefly by local taxation and controlled by

local authorities. The local outlays are supplemented in most States by greater or smaller State contributions, designed to equalize educational opportunities. The extent of State support varies as between States and as between the different types of communities within the State. State support carries with it a certain measure of State control, but the degree to which the several States exercise direction over the educational affairs of local communities is again not uniform. As a rule, however, State direction is concerned with the maintenance of educational standards.

Public education, which in the majority of States includes college and university education as well as elementary and secondary training, is reinforced nearly everywhere by privately supported institutions of all grades. In the older States of the East and South and Middle West, the private schools are numerous and well developed, often, indeed, superior in equipment and standards to the public institutions. All private foundations are amenable to the laws of the States in which they are located, but in practice they are subjected to a very slight amount of State oversight.

Education in the United States is conceived as a function of the State, not of the National Government. Nevertheless the Federal Government has come to participate on a constantly increasing scale in the Nation's educational enterprise. Up to the entry of the United States into the War, the Government's participation was confined to the stimulation and partial support of various kinds of vocational training, to the dissemination of information about educational conditions and progress, and to research. A series of acts, beginning with the Morrill Act of 1862, have provided funds for the establishment of colleges of agriculture and mechanic arts by grants to the States, for the further support of these institutions and the subsidization of certain types of instruction, for the support of agricultural experiment stations in

connection with the agricultural colleges, for the extension of agricultural teaching, for the promotion of industrial and agricultural instruction of secondary grade, and for the training of teachers in these branches. The distribution of the annual grants for these purposes is assigned in part to the Bureau of Education in the Department of the Interior, in part to the Department of Agriculture, and in part to the Federal Board for Vocational Education. In addition to the provision of money for these ends and for the education of dependent groups, like the Indians and Esquimos, the Federal Government endeavors, through investigations and the publication of reports, to spread information concerning educational conditions and to promote educational movements judged to be of general public benefit.<sup>1</sup> These activities are carried on in no less than twenty separate bureaus, commissions, and departments; for example, the Public Health Service of the Department of the Treasury undertakes investigations in school hygiene; the Children's Bureau in the Department of Labor investigates matters pertaining to the welfare of children; the Smithsonian Institution is "an establishment for the increase and diffusion of knowledge among men"; etc., etc.

The Government's participation in education, even in normal times, is therefore seen to be very large. And it is constantly growing. The principle of stimulation of desirable educational movements by annual grants that must be matched by the States receiving them — a principle exemplified in the Smith-Lever Act for agricultural extension, passed in 1914 — has been applied in the Smith-Hughes Act of 1917 and appears in several bills now before Congress appropriating in the aggregate considerable sums of money.

What is probably the most striking aspect of the Govern-

<sup>1</sup> This was the original statutory function of the Bureau of Education. It is now shared by numerous other Government offices.

ment's educational activities, however, is their total lack of coördination. Not only are large funds parceled out to different Federal offices to distribute, not only are these and other governmental offices engaged in expensive educational investigations and publications; but there is no connection whatever between the several undertakings. The inevitable results are competition between the departments, duplication of effort, diffusion of power, confusion of the public mind.

Such was, in brief, the situation at the time of the entry of the United States into the War. These were the agencies, both central and local, with which it was equipped to meet the educational problems defined at the beginning of this monograph.

**New educational agencies of war-times.** The definition of these problems is easy in retrospect. They were only dimly apprehended at the outset. It took several months for the authorities at Washington to appreciate the need of organizing means for the education of the general public. It took nearly a year for the officials of the military establishment to recognize the magnitude and the diversity of the task involved in training a modern army and its supporting workers. It is now manifest that the instruction of the public and the training of specialists, dissimilar as they may seem at first glance, were essentially inseparable. Both were parts of a single educational effort, the development of the Nation's human resources in knowledge and skill and intention for the accomplishment of a common task. Viewed in this light it is clear that the lack of national preparedness on the educational side constituted one of the greatest handicaps to the early effective participation of the United States in the War. Instead of a loose, feudal confederation of bureaus each jealously guarding its narrow preserves and fearing to overstep their limits, a single agency



was needed, capable of studying the field as a whole, of formulating a national educational program, and of apportioning to the several instrumentalities — Federal, State, and local — those parts of the work which each was best fitted to perform. Had there been such an agency, many irritating delays might have been prevented and many valuable lives saved.

Throughout the War a series of more or less conscious attempts were made to repair this deficiency. The root of the evil was never reached, however. In place of a consolidation of the central machinery for education, a bewildering array of committees and administrations was added, each charged with particular educational functions. In defense of these substitutes it should be said that they brought to the solution of the educational problems precipitated by the War fresh talents and new methods — and they did the job.

Space does not permit the complete enumeration of these special war-time agencies for education and the detailed description of their several tasks. A few of the more prominent of them, however, should be mentioned. Afterwards the peculiar contributions in the way of educational philosophy and methods for which they are responsible will be discussed.

The new creations to which fell the major portions of the work of educating the country for war were the Council of National Defense, the Committee on Public Information, the Food Administration, and the Committee on Education and Special Training of the War Department.

**The Council of National Defense.** The establishment late in 1916 of the Council of National Defense was without doubt the most useful step in the direction of national preparedness taken by Congress before the declaration of war. The Council of National Defense, it will be recalled, consists of the Secretaries of War, Navy, Interior, Agriculture,

Commerce, and Labor. With it is associated an Advisory Commission composed of seven civilians expert in the fields of transportation, munitions, supplies, raw materials, engineering, labor, and medicine. The Council employs an executive staff made up of a director and assistants. The functions of the Council are to investigate the resources of the country, to devise methods for utilizing them most efficiently for the national defense in an emergency, and to recommend to Congress and to the departments such action as seems necessary to prepare the Nation for eventual hostilities. Each member of the Advisory Commission associates with himself committees of experts, to assist in the collection of data and the formulation of policies.

The Council of National Defense was created while the United States was still at peace. It was designed primarily as an investigative and advisory body. It had no executive powers. Confronted almost on the morrow of its organization with an actual war situation that demanded quick executive action, it proved an ineffective instrument for conducting the war business of the country, a large part of which was immediately thrust upon it. It had to be supplemented by still other boards and commissions endowed with power to deal authoritatively with the great questions of supply and transportation. Nevertheless, the existence of the Council of National Defense at the outbreak of hostilities proved to be little short of providential. It is, indeed, unpleasant to surmise what the war record of the United States would have been without it. The Council was flexible enough and representative enough to serve temporarily as the connecting link between Government departments and to focus the best civilian opinion on the tasks and problems of the War. Through the committees attached to its Advisory Commission, the foremost leaders in manufacturing and in the professions were brought into an advisory

relationship with the operating branches of the war machine.

Education was not originally included in the field of the Council's activities. But as soon as the United States entered the War it was apparent that educational problems as well as problems of production and transportation were involved in the transference of the country from a peace to a war basis. The Commissioner for Engineering of the Advisory Commission of the Council was accordingly charged with the consideration of these. There was an immediate reaction from the schools, particularly from the colleges and universities. They had been impatiently waiting for an opportunity to serve. By the score they had already offered to the Government their resources in men and equipment for the national service. But the Government in its relations with education was an amorphous thing. No one of the many offices dealing with educational affairs was in a position either to accept these offers or to direct the efforts of the schools into useful channels. With the recognition of education as one of the concerns of the Council of National Defense the schools concluded that in this body was to be found at last the personification of the Government which could lead and utilize them.

Their expectations were in part fulfilled — but only in part. The Council of National Defense was able to bring together the representatives of higher and secondary education, to formulate with their aid certain general policies for the guidance of different types of institutions, and to get these policies endorsed by the executive departments.<sup>1</sup> It was in a position also to investigate, through its committees

<sup>1</sup> For detailed accounts of the action of the Council of National Defense in the formulation of educational policies and in bringing about the use of civilian institutions by the War Department, see Bureau of Education, *Higher Education*, Circulars Nos. 1, 2, 3, 4, 5, 6, and 14.

appointed by the Commissioner for Engineering and Education, questions relating to the training of technical men for the military establishment and to the use of higher institutions by the Army and Navy as training centers. These were important contributions, especially in the first stages of the country's war activities. They served the double purpose of steadying the schools and of directing the attention of the harassed executive departments to those educational aspects of the military endeavor which were likely to be overlooked in the midst of the multitude of affairs demanding immediate action. But more important than its actual contributions to the solution of educational problems was the principle involved in these early activities of the Council of National Defense. It is the principle of coöperation between civilians and the Government and between the several governmental agencies themselves. The principle will be further discussed at the end of this monograph, where a unified scheme for Federal participation in education is proposed.

The Council of National Defense labored under a double handicap in dealing with the educational situation as well as in its other relationships. It could only recommend; it could not force action. And it was supplied with so little money that its activities, even as an advisory educational body, were limited. Although it embodied a useful principle, therefore, it could not adequately coördinate and direct the educational strength of the country in an emergency.

**The Committee on Public Information.** The education of the general public to an intelligent comprehension of the issues of the war was never attempted on a comprehensive scale by the Council of National Defense. In the very beginning the schools, particularly the colleges, undertook it, following the example of the Canadian institutions. It was soon apparent, however, that a central official agency

was needed, not only to furnish reliable data, but also to give consistency and point to the scattered efforts of individual bodies. The task fell almost by force of gravity to the Committee on Public Information, which was originally established to supply the press of the country with accurate information concerning the Government's war activities.

A detailed commentary on the strictly educational work of the Committee on Public Information is unnecessary. It is sufficient to point out that it prepared, with the aid of the best historical scholarship, the Red, White, and Blue series of popular monographs on the background and issues of the War; that it organized the Four-Minute Men and furnished them with material for their extraordinary campaign of propaganda; that it conducted a great journal for the instruction of the teachers of the Nation; and that by means of moving pictures and public lectures it brought the facts of the War vividly before thousands of popular audiences. In times of peace there would be no call and no justification for such a wholesale attempt to manufacture public opinion. Nevertheless, one aspect of the work of the Committee on Public Information is worthy of perpetuation in connection with any complete plan for organizing education on a national scale. The Committee on Public Information developed and applied to the whole country the methods and purposes of university extension. And a great system of educational extension which will reach the mass of the people whose school-days are over, and enlighten them on matters of common concern, is a powerful instrument for the creation of an intelligent democracy.<sup>1</sup>

**The Food Administration.** The singularly successful

<sup>1</sup> Temporarily, until the expiration of the emergency appropriation, the educational extension work of the Committee on Public Information has been transferred to the Bureau of Education. Congress has been asked to continue it under the Bureau's direction.

campaign of the Food Administration is so familiar to every citizen of the United States that any description of it is superfluous. Two characteristics should, however, be noted. One is that the campaign was really popular education on an unprecedented scale. The Food Administration maintained that the people must be taught the relation of food to the success of the Allies' cause, and the obligation of each individual as a consumer of food. The rest of its task would then be easy. The other characteristic is the perfect adaptation of the educational methods employed to the psychology of the American people. The generosity and idealism of the Nation must be appealed to. The people must be asked, not ordered, to save and to give, and they must be told the truth. If this were done, it was held that the response would be nearly unanimous, and it was. Herein lies a lesson which may be taken to heart by any Federal agency for education now existing or hereafter to be established. The people of the United States distrust the officiousness and petty tyranny of a bureaucracy. It is in part the instinctive dread of the deadening influence of bureaucratic methods that has so long delayed the creation of appropriate Federal machinery for the handling of the Nation's educational interests. That the existence of such machinery, if rightly organized and limited, is not incompatible with complete freedom of initiative on the part of the schools will presently be shown.

**The War Department's Committee on Education and Special Training.** The War Department trained for active military service nearly four million men. It was concerned directly with the training of many thousand more who were essential to the business of supply. The formal military training which constituted the major portion of the task was, of course, fundamentally standardized and traditional. Special modifications were demanded by the new appliances

and conditions of the present war, but at bottom it remained unchanged.

The mere training of great bodies of soldiers was not sufficient. This was a war of specialists. In addition to being soldiers, large numbers of men both at the front and behind the lines must be skilled in one or more of several hundred occupations ranging in difficulty from simple metal-working to the most delicate scientific operations.<sup>1</sup> In the beginning it was assumed that the necessary specialists could be secured by draft or enlistment from among the civil population, but the occupational classification of the first increments of the Army revealed a large discrepancy between the number of specialists in the service and the number needed. Moreover, the peculiar Army applications of many occupations practiced in civil life demanded additional special training. The War Department first sought to have these different kinds of training supplied by voluntary outside agencies. By January, 1918, however, this method of recruiting a skilled personnel had been proved a failure. The Department then created the Committee on Education and Special Training "to study the needs of the various branches of the service for skilled men and technicians; to determine how such needs shall be met, whether by selective draft, special training in educational institutions, or otherwise; to secure the coöperation of the educational institutions of the country; to represent the War Department in its relations with such institutions; and to administer such plan of special training in colleges and schools as may be adopted." Although this Committee did not have charge of the whole educational task of the War Department, its duties were steadily extended up to the conclusion of hostilities. Its work was intimately related also to the educational

<sup>1</sup> For a description of these specialties, see the *Army Occupational Index*, Government Printing Office, 1918.

effort of other divisions of the War Department. Owing both to the nature of the training for which it was responsible and to its contacts with the civilian educational system, its experience embodies many of the most valuable educational lessons of the War.

The work of the Committee falls into two large divisions. The General Staff first required it to furnish by October, 1918, 100,000 mechanics trained in some thirty-five different trades. To meet this demand the Committee established training courses at 147 different schools and colleges (mostly engineering schools or engineering departments of universities). By July, 50,000 men were in training, and before the armistice 130,000 had been delivered to the military service, each equipped with a working knowledge of one of the designated trades, and at the same time trained as a soldier. Most of the courses were but eight weeks long. One or two were shorter, a few longer. Reports from the military agencies using the Committee's product indicate that the men were thoroughly satisfactory, both as specialists and as soldiers.

The second portion of the Committee's task (it began to be recognized in the spring of 1918) was the provision of a very large supply of officer material trained particularly in the technical branches, for service with the new armies planned for the end of 1918 and for 1919. It was apparent that this material could not be fashioned out of hand from among the civilian volunteers or drafted men. The colleges and universities must be relied upon to produce it. The Committee therefore set up at 517 colleges training centers for officers of the line and of the staff corps.

In both cases the Committee contracted with the institutions for the housing, feeding, and instruction of men under military régime. The institutions participating in either plan thus became for the time being Army posts. And



nearly all institutions were eager to participate. The practical result was a voluntary union of the colleges of the country into a single training plant for the production of specialists and officers for the Army. Now both the training of mechanics, as carried on from April to December, 1918, in what were first called the National Army Training Detachments,<sup>1</sup> and the training of officers in the Students' Army Training Corps, developed certain new concepts and methods which deserve to be incorporated in the educational practice of the Nation in times of peace.

**Educational contributions of the Committee on Education and Special Training.** Several dominating conclusions emerge from the committee's experience:

1. *Motivation.* The educational processes of peace have used but a portion of the individual's capacity. They have not supplied a compelling motive and they have been too academic. Given a motive and a method of instruction which is at once practical and interesting, and the acquisition of knowledge or skill proceeds at a pace which is astounding. This is an old theory; it has merely received a new demonstration. Each man under training was animated by a double motive: the unselfish spirit of service and the desire to better his position in the military organization.

The method of instruction for which the Committee stood was the "job method." It was consistently carried out in the trade training of the National Army Training Detachments. Its application to more advanced work in the collegiate section of the S.A.T.C. was inaugurated, but the demobilization of the S.A.T.C., because of the armistice, came before it could be perfected. The "job method" of instruction is sometimes defined as learning by doing. Men assigned for training as automobile mechanics, for example, were set to work at once to take down and reassemble motor

<sup>1</sup> Later known as Section B of the S.A.T.C.

cars. Carpenters were put at simple building operations. Civil engineers were introduced at the outset to the practical problems of military road- and bridge-building or camp sanitation. The theoretical instruction, the formal presentation of principles came *after*, not before the practical experience with the jobs for which the men were being trained.

Sporadic attempts to apply the "job method" of instruction to different kinds of vocational training have been made for generations in the fields both of secondary and higher education.<sup>1</sup> It has been the basic tenet in the creed of the most advanced educational thinkers. It has represented the dream of the men of affairs. In the training of the United States Army<sup>2</sup> it has been put into operation on a comprehensive scale, involving hundreds of thousands of men. And the results appear to justify the most sweeping contentions of its advocates.

2. *Individual capacities.* The Committee succeeded in making nearly every man assigned to it useful for the military service. The human raw material varied infinitely in natural capacity, preliminary training, and experience. From time to time it was carefully classified and sorted. Those who proved unable to master the occupations to which they were originally assigned were transferred to others. Less than one per cent had to be rejected as incapable of training. It should be instructive to compare this record with the appalling wastage that takes place in every school system and almost every private educational institution. Of course, other causes than inability to carry on the educational work operate to eliminate before graduation seventy

<sup>1</sup> The coöperative part-time plan introduced in the training of engineers at the University of Cincinnati is the most conspicuous modern application of this method in the field of higher education.

<sup>2</sup> The "job method" was fundamentally the method employed in officers' training camps also.

per cent of the elementary-school pupils, and sixty-one per cent of those who enter high schools. Nevertheless, a large proportion of these boys and girls go out because they do not fit that part of the school machinery into which they happen to be dropped. Devices to determine what training each may take with profit are infrequent. Still more rare is a real adaptation of the school machinery to the manifold tastes and capacities of the whole school population. The Army could afford to waste none of its human resources. Can society at large afford it better?

3. *Adaptation to needs.* The Committee's whole training program was based on a careful estimate of the Army's needs.<sup>1</sup> It discovered, for instance, that 75,000 more automobile mechanics than could be secured through draft or enlistment would be required by the autumn of 1918; that of these 23,000 must be skilled drivers, 52,000 general repair men, etc.; that the field artillery would need 2000 officers a month; that the infantry would need 3000 a month, from October, 1918. It also analyzed the work which the members of each of these groups of specialists would have to perform. Courses were then established to fit men directly and without loss of time for the several tasks. The number of men assigned to each course corresponded to the number required in that branch of the service for which the particular course was designed to train. Moreover, the survey of needs was a constant process. The estimates of the numbers of different kinds of specialists required were continually revised as the military program developed. The Committee followed its graduates into the field, to determine whether the training offered was actually adapted to

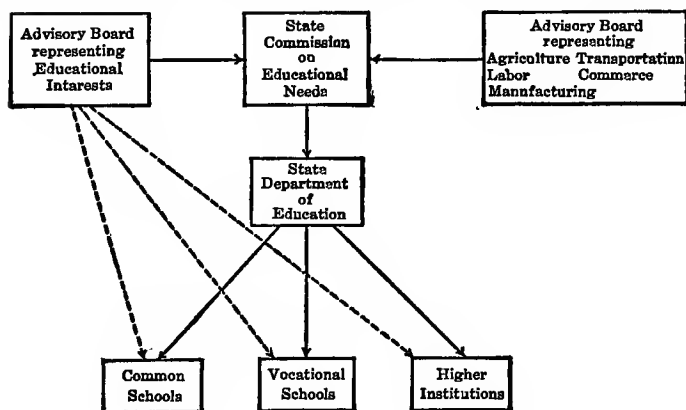
<sup>1</sup> This estimate was formulated in cooperation with the Committee on Classification of Personnel in the Army, whose extraordinary work in analyzing and recording the military and technical resources of the Army constitutes one of the most valuable contributions made by any agency to the military efficiency of the United States.

the exigencies of active service. Courses were constantly modified to keep pace with the clearer comprehension of the precise nature of the various specialties. The instruction manuals prepared by the Committee for the use of the schools thus came to represent a pedagogy which stood the pragmatic test.

The needs of an army in skilled personnel can be more accurately defined than the needs of a city or a state or a nation. No such close integration of job with job, of group with group, of worker with worker, prevails in the social body as in a military organization. Nor does a democratic society possess the coercive power of a military general staff to assign men arbitrarily to a particular occupation. Nevertheless, a much closer adjustment of training to industrial and social needs is possible than is secured through the blind operation of the law of supply and demand. The tragic fringe of shortage and surplusage and maladaptation which trails behind a community committed to the policy of educational *laissez faire* can be curtailed. To achieve this result new agencies both local and national would have to be created. But they need be neither complicated nor expensive. A simple machinery for investigating and reporting to the schools the numbers of workers required in each major field of activity and the kinds of training necessary to fit them for their tasks, would enable educational authorities to direct the flow of pupils to the vocations with the largest opportunities, and to adapt training progressively to the specific demands of each job.

It may not be out of place to indicate a type of machinery both local and Federal which would suffice to coördinate training with needs. Locally it should pivot on the public offices for the administration of education. A small State commission on educational needs with facilities for directing investigations could be attached to the State department of

education. Two unpaid advisory boards should be associated with the commission; one composed of delegates from the central State bodies representing agriculture, commerce, transportation, manufacturing, and labor; the other composed of representatives of educational interests such as State teachers' associations, State associations of colleges, etc. The commission would investigate the demand within the State for persons with various kinds of training, the relation of the prospective supply to the commercial, industrial, or professional needs of the State, and the methods of training best suited to prepare young people for productive efficiency. The advisory board representing productive interests would assist in determining the sequence and range of the commission's investigations and would enlist the coöperation of the industries. The educational advisory board would aid in devising methods of instruction and in interpreting to the schools the purposes underlying the work of the commission. An important result of the commission's activities would be this bringing together of the representatives of education and of industry through the agency of its



advisory boards. The findings of the commission would be promulgated through the channels of the State department of education. The same machinery could be reproduced in connection with the local school department by cities choosing to supplement the State effort in studying their special local needs. The accompanying diagram on page 229 may serve to make the proposed organization clear.

Identical principles could be followed in the creation of national agencies for correlating education with national needs. Failing the establishment of a Federal department of education (which is later advocated and to which the commission could be attached), the national commission on needs would properly include representatives of the more important Federal education offices now existing, notably the Bureau of Education, the Federal Board for Vocational Education, and the Department of Agriculture. It would work back through these offices in conveying its conclusions to the schools.<sup>1</sup> With the creation of a Federal department of education, the analogy with the suggested State organization would, of course, be complete.

It is apparent that such machinery as has been described could easily be set up, and that it would be cheap. Strong State departments of education could doubtless provide for it without special legislation. State departments in the earlier stages of development would need definite authorization and a small appropriation to cover the commission's expenses. The initial outlay required for the proper equipment of a national commission would be insignificant in proportion to the ends to be accomplished. In no other

<sup>1</sup> Consolidation of the Government's educational interests might perhaps be effected for the purpose in hand by attaching the national commission on needs to the Council of National Defense. Indeed, in the absence of a department of education, this procedure would have distinct advantages. It would tend to unify the Government's educational enterprise at one point, at least, and bring it into relationship with other Government activities.

respect has the War Department's educational experience furnished a more practical object lesson than in this.

4. *The liberal element.* The War Department did not give a narrow training exclusively vocational, in spite of the pains taken to assure the preparation of competent specialists in the shortest possible time. Every man assigned to the National Army Training Detachments was first of all to be a soldier, a soldier with capacity to perform some technical or special task, but at all times a soldier. And the soldier specialist differed from the popular conception of the civilian specialist in more than his familiarity with the Manual at Arms. The American soldier that the General Staff aimed to produce was primarily a resourceful, adaptable man, with the quality of initiative and the habit of team play; a man, moreover, who knew why he was at war. The ideal of the General Staff — which was measurably attained, as the record of the A.E.F. shows — exercised a decisive influence on the training offered by the Committee on Education and Special Training.

In three fundamental respects this training differed from the traditional kinds of both secondary and higher vocational training. First of all, it was combined with military exercises and conducted under military discipline. In the second place, it was so organized that men were promoted from one job as soon as they had mastered its technique and principles to another requiring the application of new principles and skill. Throughout the training they were constantly confronted with practical problems demanding independence and initiative. The military training helped to develop physical tone and the perfect coördination of physical powers. The vocational training cultivated resourcefulness and an all-round understanding of the particular trade. As a result the majority graduated from the courses practical journeymen, with the readiness of the soldier to undertake any problem however difficult.

Thirdly, the Committee made humanistic or liberal training an integral part of the vocational preparation. For the National Army Training Detachments there were provided weekly lectures and discussions on the war aims of the United States. These discussions presented the historical background of the War, the forms of government of the belligerents, the economic and social conditions antecedent to and resulting from the War, and the expression of different national ideals in literature and philosophy. The Committee avoided propaganda. It made no effort to inculcate an official point of view. It concerned itself rather with the presentation of facts and materials which would enable each soldier to answer for himself the questions on the great national issue which rose in his mind. Indeed, the questions actually asked by members of the first training detachments were arranged to form instruction guides for the subsequent use of teachers of the war-aims courses and were made the basis of the extensive bibliographies prepared by the Committee.<sup>1</sup>

It will be observed that the war-aims course did not correspond with any of the artificial divisions of subjects or departments traditional in academic organization. It was not history, or economics, or literature. It represented rather a true fusion of the essential elements of all these and other subjects. The design was to furnish the soldier with facts, criteria, and inspiration, which would enable him to understand his world and to relate his conduct to the major issues of his life. This has in all epochs been the purpose of a liberal education. The proof of the validity of the Committee's experiment lies in the keen interest with which the soldiers themselves participated in these discussions and in the enhancement of morale which resulted from them.

<sup>1</sup> See questions on the issues of the war, Circular Ce. 21, the Committee on Education and Special Training, 1918.



In the short vocational courses of the National Army Training Detachments it was possible to give but the rudiments of liberal education. But the principle established there was applied on a broader basis in the organization of the work of the S.A.T.C. The war-aims course was expanded into a series of courses on the issues of the war, some, or all, of which were required of every officer candidate in training. In giving these courses the several college departments concerned were requested to coöperate and to work out a unified plan of instruction. Thus the Committee helped temporarily to break down the arbitrary and unreasonable barriers between departments which have long been regarded as a regrettable defect in academic organization. The demobilization of the S.A.T.C. occurred before the collegiate courses on the issues of the War had been fairly tested in practice. In over three hundred institutions, however, the principle involved has won recognition to such an extent that these courses are to serve as the model for organizing the substantial elements of peace-time humanistic training. Perhaps the best statement of this principle and its application to normal conditions of collegiate institutions is that of Dean Woodbridge of Columbia: "In the past, education was liberalized by means of the classical tradition. It afforded for educated men a common background of ideas and commonly understood standards of judgment. For the present that tradition no longer suffices. If education is to be liberalized again, if our youth are to be freed from the confusion of ideas and standards, no other means looks so attractive as a common knowledge of what the present world of human affairs really is. The war has revealed that world with the impelling clearness which tragedy alone seems able to attain. That our student soldiers may see the issues is of immediate consequence. But the war and its issues will be the absorbing theme of generations to come. To the

thoughtful, therefore, the course affords the opportunity to introduce into our education a liberalizing force which will give to the generations to come a common background of ideas and commonly understood standards of judgment."

5. *Objective tests.* The college section of the S.A.T.C. was recruited in the first instance from among students who had satisfied the customary admission requirements of colleges. Many competent men who could not ordinarily afford to go to college were enabled to attend because the Government assumed their expenses and paid them soldiers' pay. But it was apparent at once that even with these additions to the student body a sufficient number to meet the needs of the Army for officer material could not be obtained. The S.A.T.C. would have to be recruited from that much larger stratum of the population which possessed the capacity to pursue work of college grade, but could not absolve the formal entrance requirements.

A system of recruitment was therefore devised, which was about to be announced when the armistice was signed and recruitment ceased. The plan combined the following elements:

- a. At each institution a board of admission was to be established, consisting of the commanding officer, the personnel officer, and three members of the faculty. The board was to receive all applications for admission to the corps and to interview each applicant. Upon appearing before the board the applicant was to be examined as to his schooling, his military, vocational, and athletic experience, and his other general qualifications. Appropriate forms were to be provided for recording and estimating these matters.
- b. Each applicant was to be given the Army intelligence test (the so-called "Alpha test"), which had already been given to approximately a million and a half

officers and men.<sup>1</sup> The test is designed to measure mental alertness and general intellectual ability. It represents the result of eighteen months' work by the leading experimental psychologists of the country who have been engaged in examining and classifying the Army personnel. There has been considerable skepticism both in academic circles and among the general public as to the possibility of determining mental capacity by psychological methods. But the ratings derived from the Army intelligence test show so close a correspondence to the estimates placed upon the same men by military commanders and employers that Army authorities have come to place more and more reliance upon it as an index of power.

- c. Certain mechanical and professional courses as, for example, the courses designed for heavy artillery officers, engineering courses, and medical courses demand special preparation in one or more subjects. The board of admission was to enforce the established technical requirements for these, in addition to considering the candidate's general qualifications, in the manner described above.

Since the War Department had no occasion to use this plan of recruitment and did not announce it, the essential features of it were subsequently described to the colleges by the Bureau of Education, with the suggestion that it be used to admit returning soldiers to academic courses in case they could not meet the regular entrance requirements.<sup>2</sup> Some seventy institutions, among them many of the strongest in the country, have signified their willingness to adopt the plan for that purpose.

<sup>1</sup> Copies of the test and directions for its use may be secured by schools on application to the Committee on Education and Special Training of the War Department.

<sup>2</sup> Circular of the Bureau of Education, *Suggestions to Colleges Concerning the Admission of Returning Soldiers*, December, 1918.

The implications of this method of testing fitness for college study are momentous. For years colleges have been elaborating a system of admission which depends largely upon mechanical measurement of the time spent in preparatory study and involves only secondarily an examination of the actual capacity of the student to pursue collegiate instruction. Failure of the individual to meet the purely quantitative requirements generally debars him from entrance, no matter how strong the evidence of his mental maturity. The lack of reliable objective tests of ability, combined with the desire to maintain high standards, is, of course, primarily responsible for the position taken by the colleges. But the work of psychologists in sorting and rating the personnel of the Army has now furnished an immense body of data for the development of objective tests. This material will shortly be available for general study and application to academic conditions. It is for the colleges themselves to take the next step. The way appears to be open to escape from the tyranny of mechanical standards and to make admission to higher education dependent upon the possession of power to do the work.

The application of objective tests in dealing with the *product* of the Committee's training courses passed beyond the state of a tentative plan. Soldiers in the vocational courses were subjected to trade tests, i.e., actual performance tests, to determine their ability before assignment to field units. These were comparatively simple to devise and to administer.

An objective method of rating which would divide the men in the collegiate section of the S.A.T.C. into officer material, non-commissioned officer material, and privates, became necessary immediately after the organization of the corps. Such a method was prepared with the assistance of the psychologists of the Committee on Classification of

Personnel in the Army and had already been tried out in several institutions when the S.A.T.C. was demobilized. The plan provided for rating men upon the following seven traits: (1) intellect; (2) character; (3) military studies and practice; (4) physique; (5) command of men; (6) athletics, mechanical; (7) scrupulousness. The men qualified to be officers having been selected, they were assigned to one branch or another of the service according as they possessed those physical and mental characteristics which the particular branch requires. For example, successful pilots in the aviation service must be men of determination and of great athletic and mechanical skill. They need not be especially intellectual. Their ability to command men is a negligible factor. Men who ranked high in traits 2, 4, and 6 would be assigned for training as pilots.

It is not proposed that the determination of the relative standing of students in respect to the qualities just mentioned would furnish even a partial substitute for the ordinary tests of academic proficiency applied by higher institutions in times of peace; but the effort to sum up the whole man and to direct him into a career in which his dominant characteristics would find the fullest expression, is a process that has great educational significance. As supplementary to the regular tests for promotion and graduation, it is worthy of serious consideration by the colleges.<sup>1</sup>

6. *Progress and ability.* It has been pointed out that the Committee turned first to the engineering schools to establish the short intensive courses for the training of mechanics and technicians. These courses were not college courses, but were distinctly of secondary grade. A few institutions

<sup>1</sup> For an account of actual experiments with objective tests in collegiate work, see *A Study of Engineering Education*, by Charles Riborg Mann, Bulletin No. 11, Carnegie Foundation for the Advancement of Teaching, pp. 67-74.

distrusted the mixing of trade training with higher education. They were disposed to regard it as inconsistent with the dignity and standing of higher institutions. They were ready to make the sacrifice in the national emergency, but viewed the procedure distinctly as a sacrifice. The conversion of these institutions to a recognition of the vitality of this supposedly lowered type of training and its tonic effect on the whole higher educational enterprise is one of the surprising results of the War Department's educational venture. Many college officers are now convinced that the methods employed in the vocational courses may, and should, be largely applied to the higher grades of professional training, and that the presence of a body of men engaged in practical processes with an immediate vocational goal in view, strengthens rather than weakens the academic morale.

The present stratification of the educational system is the product of long-time social and economic pressures. It unquestionably makes for economy of operation. Undoubtedly it furthers the development of some of the special types of institutions which each community needs. It is, of course, well known that the existence of preparatory departments in colleges checked the growth of public high schools and that their discontinuance in recent years has stimulated the evolution of public secondary education. But like many wholesome tendencies, this movement toward the sublimation of the college has had certain unwholesome consequences. The effect on the college itself has been to disconnect it from the realities of life. On the social body as a whole the effect has been more serious still. In most communities there remains no institution where men of maturity and ambition, but without formal schooling, can secure practical and liberal training which will enable them to improve their condition as producers and as human beings.

Many of these men if once caught up in the educational machinery would prove competent to go forward to more advanced education. The War Department's experience suggests that colleges, and especially the higher technical institutions, should consider whether the provision of courses for such men does not constitute both an obligation and an opportunity.

7. *Discipline.* No educational result of the war period has been more obvious or more generally recognized than the effect of military training on the bearing and physique of young men. The Committee's training program was made possible by military discipline and the physical well-being that is the by-product of military training. Educational authorities are now awake to the necessity for a vastly greater development of physical training and are everywhere taking steps to bring it about. How far the essential elements of military discipline can be preserved in the peacetime processes of education is still an open question.

It has already been said that an analysis of the War Department's enterprise reveals the supreme importance of motivation in intellectual training. Motivation was equally important in the development of military discipline. The vital quality of military discipline depends more upon morale than upon autocratic authority. This motivation was secured primarily through the operation of the Selective Service Law. The draft reached into every community and into nearly every family group. It brought home to nearly every individual a sense of his personal obligation to serve the country. The drafted man himself was forced to a moral right-about-face. Instead of pursuing success for selfish ends, he was compelled to expend his energies, perhaps to give his life, for the national welfare. This moral repolarization was often a painful process; but it was speedy and effective because the Nation in its most palpable incarnation,

namely, the Army, applied the pressure. The spirit of the American Army was notably exalted. It was this perfection of morale that made its discipline so splendid and so easy to maintain.

How can the spirit of self-sacrifice engendered by the national emergency be transformed into a spirit of service to the community and to the Nation in peace? This is the problem now before the schools. Its solution is admittedly difficult. But unless it is solved, America will have lost the best fruits of the War. The authors are convinced that a partial solution may be reached by relating education directly to the actualities of the present world situation and to productive efficiency in the ways that have been described above. However, these devices will merely secure intellectual motivation. That alone is insufficient. The great driving force behind the Nation at war has been emotional and spiritual. Can these reservoirs of feeling and high impulse which have been the ultimate sources of discipline be permanently tapped?

Again the experience of the War Department and the other war-time agencies for education point the way. The draft need not be just a measure to meet a military emergency. It can be incorporated into our national life through a law providing for universal service. Such service need not be primarily military. Indeed, if the conclusions reached in this paper are sound, it is not the strictly military aspects of the Army's work that have unified the Nation and made it stronger than ever before. A universal service law which obligated every youth to undergo training of mind and body and to spend a specified portion of his time under national direction in productive labor for the public service would help to preserve in peace the discipline and morale which have been developed in war. Its efficacy would be enhanced if it were reinforced by the same kind of propaganda for pub-



lic enlightenment that has been employed in the campaign of the Food Administration.

Universal service is as much an educational as a military measure. It belongs in the category of those major educational policies so vital to the Nation's welfare which are now left to the haphazard determination of bodies preoccupied with other than educational tasks. The decision as to whether or not it is to be adopted should be made with the aid of the most enlightened educational opinion of the country. If adopted, it could be successful only if the educational strength of the Nation were behind its administration both at the seat of the Government and in every community.

**A national policy in education.** The experience of the War has shown that education is no longer a parochial affair; it is a national concern. It is fundamental to the Nation's strength. It underlies every great national enterprise, whether of war or of peace. The provision of adequate means for the development of a unified national policy in education is therefore more necessary than ever before.

The War has also thrown into relief the principles on which national direction of education should be based. It has discredited bureaucratic control. It has demonstrated that vitality lies in the coöperation of the best civilian thought with the established agencies of the Government. National leadership in education must be a leadership of ideas. Government departments can never maintain a monopoly of ideas. To avoid stagnation they must constantly seek ideas at their sources. The essential character of a new Federal agency for education is then clearly indicated. It must be designed primarily as a focus for the leading minds of the country. Its powers must be chiefly powers of influence and persuasion. They must be derived from public confidence in the validity of its conclusions.

A department of education which included most of the

present Federal agencies for education and which possessed in addition large facilities for investigation and for enlisting the foremost men in all occupations to assist in determining national policies, would undoubtedly be the most effective instrument for the purpose.<sup>1</sup> The department would administer the already existing Federal subsidies for education. It would perhaps be charged also with the distribution of other and still larger subsidies for the equalization of educational opportunities and the elimination of illiteracy.<sup>2</sup> But the administration of subsidies should not be its main business. Indeed, Congress should recognize that the power to give or withhold financial support constitutes a very real menace to the department's genuine capacity for leadership. In the creation of the department, this function should be strictly subordinated to its more important activities.

What these activities ought to be has been implied in the foregoing pages. They may be briefly summarized as follows:

- a. The study and definition of the educational needs of the Nation in the fields of industry, commerce, politics, and social organization.
- b. The determination of a national program of education and research with the aid of the best non-official advice.
- c. The allocation among existing agencies of different portions of the task of training and investigation.
- d. The promotion of educational relationships between the United States and foreign countries.

In the prosecution of the first three of these activities, the Department of Education would coördinate and interpret much of the work of already established Government de-

<sup>1</sup> This is an application of the principle of the "national conference" which is developed in "The Commonwealth Conference," Chapter XXII of this volume.

<sup>2</sup> Bills now before Congress provide for subsidies for rural schools, for physical training, for Americanization, and for the elimination of illiteracy.

partments. If the principles indicated were observed in its organization, it would unify and nationalize the mental life of the country without hampering local freedom or checking local initiative. It would furnish an effective agency for the self-guidance and self-improvement which are essential to progressive democracy.

In the darkest hours of the War, the British Parliament passed an act which recast the educational system of England. It provided among other things for a vastly greater national expenditure for education, for the lengthening of the period of compulsory schooling and for the establishment of vocational and technical training on an unprecedented scale. Why did Great Britain, while fighting for her life, turn aside to consider the essentially peaceful business of education? Why did she authorize large appropriations for a future educational program at a time when every available penny was demanded for the national defense? The answer is plain. Because education, an education adapted to the conditions and needs of the present hour, is the basis of national defense. Because a nation is strong in proportion to its enlightenment and its productive capacity. Because these truths stood suddenly revealed in the baleful light that flickered on the destructive battle-fields of Flanders and Gallipoli.

The manhood and resources of the United States have not, like those of Great Britain, been drained by four disastrous years of war. Its share in the common undertaking has been relatively easy and its burden light. But the same conclusions which Great Britain drew as to what constitutes national strength in an emergency arise inevitably from our own brief experience. The United States is equally concerned in laying secure foundations for a developing democracy in the new era upon which the world has entered.

## XI

### SAVING AND THRIFT

WILLIS H. CAROTHERS

**Extravagance our national sin.** It has been said both here and abroad that extravagance is the great transgression of the American people. In fact, it has been so often repeated in our presence that we have gradually assumed an attitude of calloused indifference with reference to it. If, however, extravagance is enervating Western civilization, the ways and means of regulating it should naturally be included in a program of readjustment. Closing our eyes to a natural habit which has caused the downfall of great nations of the past is not the part of statesmen, and will not be the policy of the American people. Democracy is slow to act, but it is also more likely to act judiciously when the action takes place.

**Explanation — New industrialism.** A customary way to begin the analysis of a situation is to search for the nature of the cause which creates it, an element which seldom lies on the surface. Our extravagance has been attributed in part to the great wealth and independence of the nation, which is a logical reason but not a sufficient one. A better explanation may be found in the changed social and economic conditions incident to the passing of the Western frontier, the factory system, and the rapid growth of cities.

Until very recently we have been almost wholly an agricultural nation. This was especially true up to the close of the Civil War. As late as 1880 more than seventy per cent of our people was classified as rural. Since that time

changes have taken place whereby not only do the cities contain one half of our population, but from 1900 to 1910 there was an actual decrease of rural population in four of the most prosperous States of the Union. There are economic reasons why the growth of cities will continue until by far the major fraction of our people will be found within them.

**Farm life induces thrift.** This great industrial reorganization has left its mark on American character. This is not to be wondered at, for the way a people makes its living has been the most influential factor in determining its habits and attitudes of mind. Agriculture, of all occupations, is most conducive to thrift. Lecky, one of the careful observers of social phenomena, says: "Thriftiness flourishes among men placed outside the great stream of commerce, and in positions where wealth is only to be acquired by slow and steady industry, while the speculative character is common in great centers of enterprise and wealth."

Lecky does not consider the natural process of selection by which the speculative natures may be attracted to the cities and those of the thrifty tendencies left behind. It is of little consequence to us whether agriculture selects thrifty natures or trains them in habits of thrift, if it is a fact that the country affords an environment more congenial to the growth and development of the habit. He also fails to explain why the farmer is more thrifty than the artisan, although in the case of both "wealth is only to be acquired by slow and steady industry." It is evidently some factor other than the specific method of gaining a livelihood which breeds extravagance, for the artisan's occupational habits, if any, should tend to create habits of thrift and economy.

**Contrast with the artisan class.** The artisan, however, is not "placed outside the great stream of commerce" as is the farmer, a fact which may have greater influence on the quantity and quality of his saving than the occupation as

such. He lives constantly in the midst of a crowd, and crowds create attitudes and habits which plainly distinguish the rural from the urban dweller in every part of the world.

Another general difference in the habits of these two classes may be cited. Thrift has been explained as a check on impulse. The harvest season which comes once a year is in marked contrast with the weekly pay envelope of the artisan. The farmer who prepares the ground for wheat, conscious that the grain will not be harvested until a year from that date, by so doing assumes an attitude of providence. The practical necessity which confronts the farmer of storing up enough food to carry himself and his dependents over the inter-harvest season establishes the habit of thrift in its purest form. Providence and necessity put a brake on the impulse to consume unwisely.

Thorstein Veblen argues that the city with its numbers stimulates the social instincts of display and approval more than does the country, and this explains the greater waste of the city. He says:

Conspicuous consumption of valuable goods is a means of reputability to the gentleman of leisure. As wealth accumulates on his hands, his own unaided efforts will not avail to sufficiently put his opulence in evidence by this method. The aid of competitors is therefore brought in by resorting to the giving of valuable presents and expensive feasts and entertainments.

Elsewhere he says:

From the foregoing survey of the growth of conspicuous leisure and consumption it appears that the utility of both alike for the purposes of reputability lies in the element of waste that is common to both. In the one case it is a waste of time and effort, in the other it is a waste of goods. Both are methods of demonstrating the possession of wealth and the two are conventionally accepted as equivalents. The choice between them is a question of advertising expediency simply, except so far as it may be affected by other standards of propriety springing from a different source. . . .

Consumption becomes a larger element in the standard of living in the city than of living in the country. Among the country population its place is to some extent taken by savings and home comforts known through the medium of neighborhood gossip sufficiently to serve the like general purpose of pecuniary repute. These home comforts and the leisure indulged in — where the indulgence is found — are, of course, also in great part to be classed as items of conspicuous consumption; and much the same is to be said of the saving. The smaller amount of the savings laid up by the artisan class is no doubt due, in some measure, to the fact that in the case of the artisan the savings are a less effective means of advertising relative to the environment in which he is placed, than the savings of the people living on farms and in the small villages. Among the latter, everybody's affairs, especially everybody's pecuniary status, are known to everybody else. Considered by itself simply — taken in the first degree — this added provocation to which the artisan and the urban laboring classes are exposed may not very seriously decrease the amount of savings; but in its cumulative action through raising the standard of decent expenditure, its deterrent effect on the tendency to save cannot but be very great.

This original tendency in people to gratify the strong social instincts by such means as the environment provides must be considered a potent influence in the irrational consumption of goods. It may be added also that the "deterrent effects on the tendency to save" of modern city life are no longer confined as formerly to the city, for the reason that the telephone, automobile, and newspaper are drawing the country into closer relations with the city and every decade brings about a marked change in the psychology of country people. It may be said also that the change has taken place without reciprocity.

It does not require effort to make common people dissatisfied with their lot. The vivid descriptions of city life with its wealth, power, and luxury emphasized in newspapers, magazines, and books of fiction, arouse the imagination of the isolated farmer and alter his philosophy of life. People

do not save because they like to; saving springs from a sense of duty to self and one's dependents, which requires careful training to develop. It appears, therefore, that inasmuch as twentieth-century society will be mainly urban in nature, there is great need for a stabilizing factor which will regulate the habits of the present and future generations in their new environment.

Our national wealth. It may be asked whether what is termed extravagance cannot be justified by our increased wealth and earning power. If a nation has the wealth, does it not have the right to indulge its desires? "The luxuries of to-day," it is said, "are the necessities of to-morrow." A summary of our productive power convinces one that if the amount of wealth possessed by a people can be used as a measure of their right to consume, we have reached the point of special privilege. We lead the world in the production of corn, oats, tobacco, coal, cotton, petroleum, pig iron, steel, copper, and silver. Official Government figures for 1914 emphasize our great economic strength as well as the dependence of the remainder of the world on our products.

Although the United States includes less than six per cent of the earth's surface and contains only about six per cent of the earth's population, it produces thirty-three per cent of the wealth of the world. The following table, based on pre-war conditions, shows the percentage of the world wealth produced in the United States by commodities:

76	per cent of all the corn.
72	" " " " " oil.
70	" " " " " cotton.
59	" " " " " copper.
48	" " " " " pig iron.
37	" " " " " coal.
35	" " " " " tobacco.
26	" " " " " silver.
24	" " " " " wheat.
21	" " " " " gold.



From 1800 to 1916 our area increased from 892,135 to 3,026,789 square miles. Our wealth *per capita* has been augmented from \$307.69 to \$1965 since 1850, and we have ten times as much money in circulation for each person as we had in 1880. Before the war we had captured the greatest gold reserve in the world. History and tradition relate the fabulous wealth of ancient kings and governments, but there is no reason to believe that our gold reserve has ever been equaled in the history of nations. The power utilization of the United States is estimated at 150,000,000 horse-power. On the assumption that one horse-power is equal to twenty man-power, the work annually done in the United States, or its equivalent in such kind as men perform, would require 3,000,000,000 slaves. The use of power gives to each man, woman, and child in this country service equivalent to thirty servants.

One of the most significant results of the war to us has been the financial changes that have accompanied it. In the period from its outbreak to the time that we ourselves entered the struggle, this country bought back of our own securities held abroad about two and one half billion dollars. It purchased the obligations of foreign governments to a total of some \$2,400,000,000, and now since our entry, our Government has loaned our associates over seven and one half billions. This, with the increase of foreign bank credits, makes a total change in our situation measured by about twelve and one half billion dollars.

The highest estimate of the amount of foreign investment in this country, of which I know, placed the total at five and one half billions. We now have paid off that debt, and viewing our position internationally, have seven billions more to our credit.

These remarkable facts disclosed by a great banker show our rapid financial ascendancy.

Our national debt is about twenty-five billions of dollars, with some reduction for foreign loans, but a national debt which is floated at home does not reduce the amount of

money. The wages of war are loss of life, the destruction of material, and of the products of human labor, but if these resources were all our own the debt was settled when they were used in gaining the result. The mere moving of capital from one point to the other, which happens in retiring a national debt, does not mean that the debt is being paid again. Are not the most extravagant people also the richest and most powerful people in the world, and does it not argue the feasibility of luxury and extravagance if money is always plentiful? It would, if the two were as cause and effect, and it must be admitted that many people believe that loose spending makes good business.

**The price of extravagance.** Extravagance means the spending of one's income beyond right or reasonable limits. If our books are honestly examined they will show that we have been living far beyond our means. Our national wealth, for which we take so much personal credit, is due less to ingenuity than to the bounties of nature, and bears only a negative relationship to our spendthrift habits. The best test of the economic health of a nation is the holdings of the average citizen. The reaction to such a test is unfavorable, if not alarming. It shows that before the war the United States was a rich nation composed of individuals who were poor. Statistics based on pre-war conditions show that "sixty per cent of all the wealth of the United States is owned by two per cent of our people; thirty-five per cent is owned by thirty-three per cent; while the remaining five per cent is distributed among sixty-five per cent of our citizens." This means that 65,000,000 Americans possessed only five per cent of the Nation's wealth, and that the two per cent, or about 2,000,000 people, owned sixty per cent of the Nation's total resources. When one recalls also that four fifths of our total annual income is derived from people who have incomes of less than two thou-

sand dollars per year the facts indicate that extravagance has been epidemic and that the price of our folly is dependency. The poor, true to Biblical prophecy, are still in our midst. The Surrogate's Court records show that eighty-two per cent of the men who die in the State of New York leave no income-producing estate and only three per cent have permanently acquired in their lifetime ten thousand dollars or over.

The life-history of one hundred average men who begin at the age of twenty-five without money shows that out of the eighty who are still alive at the end of thirty years, four have achieved economic success, forty-six are still working without having accumulated any capital worth considering, and the thirty remaining have become partially or wholly dependent on relatives for support. It will be admitted that all men do not have the same natural ability to acquire economic goods, and in a system of competitive industry these differences are very sharply emphasized. The same inequalities appear in the ability of individuals to acquire mathematics, military leadership, or salesmanship, but no such inequalities exist in the capacity to save. Economic competency in America depends far more on what is saved than what is made, and saving requires only common sense to execute. Economic progress is measured by the difference between the income and the outgo, and not by either alone. The hope of the man with a small income is in small savings which will leave a difference in his favor.

**Material waste.** Material waste is the form which extravagance takes in our business and domestic life. It has been said that the French people could live on what the Americans waste through carelessness and indifference. In business it is often difficult to distinguish between preventable and unavoidable loss. The success of the great business enterprises of the United States is due in large measure to

the elimination of waste through the use of by-products and the adoption of efficient methods. The consolidation of numerous smaller concerns into a large corporation has proved more economical because it has reduced duplication of effort and unnecessary competition.

The efficiency movement has made radical changes in factory management. Of the work of Harrington Emerson, who was a leader in this campaign, the following are illustrations: In a large railroad shop wages were increased fourteen per cent, costs reduced thirty-six per cent, and output increased fifty-seven per cent. In one plant the yard gang was reduced from seventy to twenty-six men by means of a dispatching board. A large Western forging shop doubled its output with a decrease in the pay-roll of five hundred dollars a month.

Scientific management, however, seems to be still in its infancy. An interesting example is that of car idleness on railroads. It has been found that the average earnings of a freight car in commission are at least \$2.50 per day. If each day in the life of a car is counted as a car day the figures show that during the past ten years the idle car days numbered 423,183,191. The railroads in that time have suffered a loss of gross earning power of \$1,057,977.50 because shippers did not have the freight. It was also shown that there was a loss of \$78,858,290 because the railroads did not have the necessary cars in busy periods.

Our greatest waste has taken place in the exploitation of our natural resources. Our forests have been wantonly destroyed. In addition to the depredations of the exploiter, for more than a generation fire has wrought an annual destruction of \$50,000,000.<sup>1</sup> The loss of young trees is even greater than the value of the salable lumber.

<sup>1</sup> The destruction wrought by the 1918 forest fire in Minnesota was many times what the Legislature was asked to provide for the patrol service which would have made a large-scale fire impossible.

The virgin fertility of the soil is being depleted both by lack of husbandry and soil erosion. Official estimates place the amount of waste occasioned by the latter at \$500,000,000. The water-power which goes to waste each year is calculated at 30,000,000 horse-power, which evaluated in terms of money would equal a sum greater than the Nation's annual coal bill.

The various forms and fields in which waste appears can be multiplied indefinitely, but figures are inadequate to portray the extent to which this great continent, the last rich storehouse of supplies for the human race, has been outraged. It should be a matter of reflection for statesmen that the population of the world doubled in the nineteenth century, and that our own numbers in that time have increased more than eighteen hundred per cent. This must be examined in relation to the fact that there are no more free lands which for more than a century have absorbed the restless and discontented element of our people. For the first time in our history we face the situation of making a living with what we have. Whereas formerly all that was necessary was to trek, now it is necessary to think of how best to use the means at hand. If the rate of increase of the last decade, recorded in the census, continues, we shall have 260,000,000 people in less than a century. We have no right to dissipate a national estate bequeathed to us by forbears who endured privation, exposure, and toil to acquire it, and it is only fair play to leave the principal undiminished for the next generation.

**Luxury.** Another page in the recital of our extravagance should be given to waste in luxuries. It should suffice to say that our food bill and our luxury bill almost balance each other. Although we comprise only a small part of the earth's population we use more silk than all the rest of the world combined, which is in the amount of \$311,793,141 per

annum. It requires eight pounds of tobacco, twelve pounds of coffee, and twenty gallons of spirits for each person annually to satisfy our appetites for stimulants.

The following table prepared by Charles W. Eliot is instructive, although the estimates in some items are known to be low. It shows the amount of money spent annually for things which are more or less non-essential:

Intoxicating liquors . . . . .	\$2,200,000,000
Tobacco . . . . .	1,200,000,000
Jewelry and plate . . . . .	800,000,000
Automobiles . . . . .	500,000,000
Confectionery . . . . .	200,000,000
Soft drinks . . . . .	120,000,000
Tea and coffee . . . . .	100,000,000
Millinery . . . . .	90,000,000
Patent medicines . . . . .	80,000,000
Chewing-gum . . . . .	13,000,000

It is unlikely that any such excesses in the gratification of the senses has ever been witnessed in a whole people since the declining years of the Roman Empire. Little wonder that moral suasion turned into prohibition when the consumption of spirits for the year 1918 was an amount equal to twenty gallons for every man, woman, and child in this Commonwealth. "The amendment will wipe out with a stroke 236 distilleries, 992 breweries, and more than 300,000 saloons and liquor stores," but that is far from saying that it will wipe out a corresponding amount of waste. New forms of extravagance will be found unless more fundamental measures than the prohibition of a certain commodity are taken.

Our *per capita* consumption of sugar has increased from eighteen to eighty-two pounds per year since the Civil War, which means that five per cent of the earth's population consumes twenty-three per cent of the world's sugar supply. France and Belgium, with their great civilizations and culture, use only eighty pounds of meat per person in a year.

It requires one hundred and sixty-seven pounds for each American, and two pounds of coffee are required now where one was sufficient less than a generation ago.

**What thrift is.** The philosophy of thrift may be summarized by saying that it changes an individual's environment in such a way that he has more useful material for consumption and changes the individual in such a way that the quality of consumption is improved. Thrift is manifestly a principle of human progress. All social beginnings had their origin in some form of conservation of the material or moral or spiritual resources of mankind. The savage made no progress until he had saved enough food so that a part of his time could be devoted to other things. The division of labor was impossible without thrift. Little by little mankind has learned how to save useful things and record useful experiences which conserve the time and energy of the race. The difference between primitive and modern man is that the former had in his possession so few useful things and so few useful facts. The greatest of human inventions was the alphabet, which records the gradual additions to human knowledge and collects them into a great permanent reservoir of useful information. Mechanical inventions are the final products of centuries of experimenting in which one generation built on what the former had accomplished.

The moral codes of the world which have survived out of the thousands that have struggled for survival are the few that were the most efficient agents of social economy. The single example of truth-telling which is found in all great moral codes may be cited for illustration. Aside from its ethical value, truth-telling is one of the great labor-saving devices, because the person who tells the truth does not have to be watched by another. Of two tribes striving for supremacy, other things being equal, the one which told the

truth would prevail and with it the code of morals which it followed. Likewise the foremost religious teachers of the world have initiated programs for turning the spiritual energies of the race into useful social channels. To save the soul of man has meant to save his decency, honor, and self-respect, all of which contribute to social solidarity and strength.

It must be admitted that in the last analysis the object of all saving is people, not things, because people are so much more important, but the two cannot be separated except in theory. The fact that great segments of the human race are hungry and poorly sheltered makes the provision for things the first goal to be reached. If, however, everybody were supplied to-day with all the material resources necessary for his welfare we would have the problem of unwise spending to-morrow.

The reason why thrift is more intimately related to saving than to making is that we have only a meager technique for teaching people how to make, while saving is to a large extent subject to our control; that is, we can teach it. Thrift has been the theme of our greatest teachers; some have given us programs of conservation in the spiritual world, others in the material.

**Thrift and democracy.** The inequalities of wealth held by individuals grow more conspicuous with each succeeding decade. As the rich grow richer and the poor relatively poorer the stability of democratic institutions is endangered. The laborer chafes at the wealth of the capitalist whose investments yield large dividends, while he must live by the fruits of his own hard work. He has the wisdom to see that there is no democracy without independence, and no independence without capital; but it is not always clear in his mind that there are certain immutable laws which govern the source and distribution of wealth.



The child who sees an attractive object in the hands of another attempts to wrest it away. It is natural for people who are in need to revert to primitive methods. Conscious of the unequal distribution of wealth, they confuse the wish for the thought and advocate a general distribution of wealth among the masses. If such a plan offered any hope in solving this problem it would have been adopted centuries ago. It is not essentially different from the fallacy that the universal salary increases which are being granted increase our wealth. Increasing the amount of money which each person receives does not increase the amount of food in the world; it does not increase the amount of shelter; it only increases the amount of money. The way to increase the sum total of useful things — things that feed, clothe, and protect people, and add enjoyment to life — is to improve the methods of making them. Machinery which makes two pairs of shoes at the former cost of one pair strikes at the root of the difficulty. But it takes time, money, labor, and materials as well as the loss incurred by displacing the machinery now in use to make improvements in industry. If there is no surplus of supplies people cannot stop their regular business of making a living to engage in construction undertakings which do not begin to produce until much time and labor are spent. They must eat, have clothes, and material to work with while the process of construction is going on. To create this surplus, thrift is necessary. The savings of the community must support those who are at work on new projects just as they have been supporting our soldiers at the front. If the American people were willing to save and increase the capital of the country as they have been willing to do to defend it, the level of living conditions would rapidly rise.

The division of wealth or rise in salaries will not make us richer or happier. The person who saves a part of what he

makes is the real benefactor of mankind because his savings give one man the capacity of two in creating wealth. May his tribe increase! Hamilton saw the essential relationship between thrift and democracy. He said: "The development of the saving faculty intimately concerns the economic weal of the people. It promotes a more healthy diffusion of wealth." There will be no independence for the masses of people without thrift, and no democracy without some degree of independence. The theory held by a few misguided agitators that living up to the limit of one's income tends to act as a spring in raising wages is fallacious and mischievous and is akin to a variety of discarded theories of which the Malthusian is the most conspicuous example.

As for the theory held by economists that the factory system depends for its success on a propertyless proletariat, it may be said that the system has been to some extent both a cause and effect of this condition. If one may judge from recent utterances of managers of industry the formula will be changed, and will read, "The success of the proletariat depends on their proper management of the factory." Our democracy is in a process of reconstruction and the movement is toward the greater recognition of the importance of the common man and a more vital interest in his social and economic welfare. Thrift is the lever which society is using to raise him to a higher plane.

**Thrift education.** The two great outstanding contributions to the progress of democracy brought about by the War were the selective draft and the popular loans. For the first time in history favoritism and influence were struck out of the plans of raising and training an army. There was not a breath of suspicion on the integrity of the Provost Marshal General, although millions of men were called to the colors to make, if necessary, the supreme sacrifice in a common cause.

Turning to the laborer, the mechanic, the school-teacher, and the capitalist alike for the funds to carry on the War was of even greater moment. It transformed millions into capitalists and stockholders in the business of the Nation who had been neither capitalists nor owners of securities before. For a year the lesson of goods and services was instilled in the mind of young and old of every walk of life. Common people were able to see for the first time that they are through their purchases the great employers of labor and that the destiny of nations is determined as much by the commonplace things and the ordinary habits of life among the masses of people as by the genius of their leaders. They learned both by theory and practice the value of commonplace things which feed, clothe, and protect a nation. It was a universal lesson in thrift, and it revamped the thought and habits of a whole people. And yet only a beginning has been made. It takes time to change the habits of a democratic people. The period following each one of our former wars witnessed a reaction from the economy and frugality practiced during the emergency. The general tendency has always been to lapse back into a state of luxury and waste. "Are we to lose the benefit of the great lesson of thrift, or can some plan be devised to make us keep on saving? Surely no problem of reconstruction is more important than this."

Two things are necessary for keeping this habit alive. One is some form of investment which shall be as sound and attractive as Government bonds, and which is easily accessible to the small purchaser. The other is an educational campaign which will do for the thriftily disposed what the science of advertising is doing for the spendthrift. Great national campaigns of education are being conducted throughout this continent teaching the people the fine points in the art of extravagance. The campaign is carried on by

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a program of visual instruction. Behind these campaigns are pedagogues skilled in the arts of attracting the eye and arresting attention, who, through electrical display, sign-boards, newspapers, or samples, create desires and establish habits which account for no small part of our national extravagance.

Whether society is justified in expending millions of dollars to create desires in people which will cause them to spend many more million dollars for things which render them no service or impair their health, is a question which will receive far more attention in the future than it has in the past.

The campaign for temperance and sobriety which has been in force for the past fifty years began with legislation in twenty-six States of the Union which provided that the injurious effect of alcohol on the human system should be taught in the schools. It is fair to assume that society is beginning to reap the fruits of this early seed deposited in the receptive minds of its children. Those who were familiar with the early methods of the prohibitionist schools will recall with what potency this principle of psychology was applied. England, in establishing her Great Public Schools, admitted that she was preparing to train her future masters. Germany, France, Denmark are notable examples of nations that have turned to education to restore national greatness after disastrous wars. It is natural for us to turn to education for the correction of our besetting sin, extravagance, which is rotting the character and destroying the moral fiber of the "greatest and freest people on earth." Thrift is the builder of nations, extravagance their destroyer. Not wealth, but people of character and independence, make a nation strong. Thrift is as much or more a builder of character than of fortunes.

"Ill fares the land, to hastening ills a prey  
Where wealth accumulates and men decay."

**Can thrift be taught?** We are interested in the question whether thrift can be taught as efficaciously as the evils of alcohol have been taught, especially in view of the fact that the American people are living in the midst of an increasing volume of wealth. The answer is not a difficult one if we are willing to take past experience as evidence. Society has always demonstrated its ability to teach anything in the world it wanted taught. If a nation in the twentieth century can teach a whole people the absurd doctrine of the divine right of kings so thoroughly that they were willing to throw the entire world into a holocaust of war and contend at arms with four fifths of the world, there should be little doubt as to the efficacy of education in teaching thrift to the American people. Education is the engine which society directs to accomplish its ends. It does about what the people really want done. The only important question is whether we believe in thrift seriously enough actually to teach it and make it effective. The question has been answered in part by the national campaign of thrift education which started December 10, 1917, when an issue of "Thrift Stamps" and "War Savings Stamps" was offered for sale to the public, and a vigorous effort was made to distribute them as widely as possible among the people. The small Liberty Bond with partial payment privilege conduced to the same end. While approximately \$19,000,000,000 were raised by the sale of bonds, \$1,000,000,000 was raised by the sale of stamps. It required two and a half times as much money to sell the stamps as the same amount of bonds, but the money invested in the latter represented a much larger percentage of actual savings and their continuous sale was much more favorable to establishing the habit of thrift. The method adopted and the additional funds for carrying on the campaign indicate the educational value which the Secretary of the Treasury attached to this type of loan. A

second issue of the stamps has been offered and every effort is being made to make the habit of regular investment a permanent feature of American business life. That the campaign has had large educational value is evidenced by the increased deposits in private and savings banks and postal savings, building and loan associations, and the increase in the number of insurance policies issued by private companies. Before the War the number of Government bondholders was something more than 40,000. This has been increased to 20,000,000. Among the Government enterprises occasioned by the War which contribute to thrift is the largest life insurance company on the globe, one of the greatest business enterprises in the world. It has in force \$36,000,000,000 of life insurance for the fighting forces, and provides for the continuation of this insurance after their entrance into civil life. All the life insurance in force in American companies both here and abroad was less than one third of this amount. The American soldier and sailor have wisely done their part in making thrift a national habit. The Nation has inaugurated a movement leading to the socialization of wealth through the medium of thrift.

The first great step in the solution of this momentous problem has been taken. Before our eyes lies the vista of alternatives and complexities which distinguish peace from war. The boundless energy of the American people will drive this nation rapidly and powerfully in one direction or the other. What course shall we pursue? Herein lies one of the great problems of reconstruction.

## XII

### SOCIAL INSURANCE

SAMUEL McCUNE LINDSAY

SOCIAL insurance is that branch of insurance that covers risks in which society as a whole, the State or the community, apart from the insured, has a stake or an insurable interest. Prior to American participation in the great European War social insurance was more generally referred to as workmen's insurance and had received little attention in the United States. It had made considerable progress, however, with the rapid development of modern industry in all the other great industrial nations, particularly in Germany, France, and Great Britain where it was applied to the risks of sickness, accidents, invalidity, old age, and unemployment.

A sound and workable system of social insurance was first established on a national scale in Germany through the Sickness Insurance Law of 1881, the Accident and Invalidity Law of 1883, and the Old-Age Insurance Law of 1889. Unemployment insurance was later developed by the local and municipal governments. The social insurance laws of the Empire were modified and extended as experience dictated and consolidated into a great national insurance service, fostered and aided in many ways by Government subsidy in addition to the cost of administration borne in large part by the Government of the German Empire.

France followed closely along the same lines, and Great Britain somewhat later developed first a system of workmen's compensation, making use of the principle of accident

and invalidity insurance, then adopted a far-reaching scheme of unemployment insurance, then health insurance on a national scale. For old-age protection, however, Great Britain developed a system of non-contributory pensions for her industrial workers with low incomes.

The United States did not seriously consider any of these measures until 1909, when the first American State commissions to study and report upon accident compensation and the break-down of our employers' liability laws were appointed in New York, Wisconsin, and Minnesota. Workmen's compensation legislation involving the principle of the insurance of the risk soon followed in those States and in others as the result of the labors of twenty-seven State commissions on the subject appointed between 1909 and 1913. In many States constitutional amendments were necessary before effective legislation was sustained by the courts. In 1918 workmen's compensation laws were in force in thirty-eight States in addition to Porto Rico and the two territories of Alaska and Hawaii, and we had a Federal law applicable to half a million civil employees of the Federal Government. Probably two thirds of the industrial workers of the country were covered by accident insurance when America entered the War. Half of all the States had also adopted the Accident or Industrial Commission form of administration of such legislation which gave the widest scope to the principles of social insurance and the fullest benefits to the insured and to the society of which they are a part.

The results of accident compensation through social insurance have been so satisfactory to employers, employees, and the general public in eliminating the waste of lawsuits, in stimulating the "Safety first" movement, and in creating a new sense of industrial security, that it is not strange that with even so brief an experience behind them the American



people should have generally demanded that the principles of social insurance should be applied to supplement, and to a great extent to take the place of pensions as a method of dealing with the War emergency.

The War Risk Insurance Act is now the official designation of that body of law which began with the establishment of a Bureau of War Risk Insurance in the Treasury Department by the Act of Congress of September 2, 1914. The bureau's powers and duties have been greatly expanded and modified by numerous amendments and subsequent enactments.

The Act of September 2, 1914, passed within a little over a month after the outbreak of the European War, and while we were still a neutral nation, explained its purpose in a preamble, which said:

Whereas the foreign commerce of the United States is now greatly impeded and endangered through the absence of adequate facilities for the insurance of American vessels and their cargoes against the risks of war; and whereas it is deemed necessary and expedient that the United States shall temporarily provide for the export shipping trade of the United States adequate facilities for the insurance of its commerce against the risks of war; therefore be it enacted, etc.

Then followed the authority granted to the Secretary of the Treasury, through the Bureau of War Risk Insurance, to issue insurance on American vessels and their cargoes, and the appropriation of funds for these purposes. It was intended as a temporary measure, and the President was authorized to suspend the operations of the act whenever in his judgment the necessity for further war insurance by the United States ceased to exist; and in any event such suspension was to take place within two years after the passage of the act without, however, affecting outstanding insurance or claims pending at the time. This provision for

suspension of what is now the Division of Marine and Seamen's Insurance has been extended by subsequent acts until, by the amendment of July 11, 1918, it is required to take place when the President so directs, but in any event within six months after the end of the war, except that, "for the purpose of the final adjustment of any such outstanding insurance or claims, the Division of Marine and Seamen's Insurance may, in the discretion of the President, be continued in existence for a period not exceeding three years after such suspension." It would seem, therefore, that as far as marine and seamen's insurance is concerned, Congress has consistently declared its intention to provide Government insurance merely as a temporary war measure.

Congress extended the scope of marine insurance by the Act of June 12, 1917, which directed the bureau, subject to the general direction of the Secretary of the Treasury, to make "provisions for the insurance by the United States of masters, officers, and crews of American merchant vessels against loss of life or personal injury by the risks of war, and for compensation during detention following capture by enemies of the United States whenever it shall appear to the Secretary that in any trade the need for such insurance exists."

This act not only authorized the bureau to make provision for insurance and compensation for injury, death, and detention following capture by enemies for officers and crews of American merchant vessels, but it made such insurance and compensation compulsory by providing that in the event of failure of the owner of any vessel to effect the insurance of master, officer, and crew prior to sailing, in accordance with the plan it outlined, the Secretary of the Treasury was authorized to effect it with the bureau at the expense of the owner. The expense of the premium, with interest and a penalty not to exceed one thousand dollars

in addition, with interest and costs, was made a lien on the vessel.

The compensation provided by this amendatory act for seamen is as follows:

In case of death or permanent disability which prevents the person injured from performing any and every kind of duty pertaining to his occupation, or the loss of both hands, both arms, both feet, both legs, or both eyes, or any two thereof. . . . An amount equivalent to one year's earnings or to twelve times the monthly earnings of the insured, as fixed in the articles for the voyage . . . but in no case . . . more than \$5000 or less than \$1500.

A percentage of this sum is allowed for the loss of one hand (50), one arm (65), one foot (50), one leg (65), one eye (45), total loss of hearing (50), and the bureau may include in its policy specified percentages for other losses or disabilities.

In case of detention by any enemy of the United States following capture, payment is made during the continuance of such detention at the same rate as the earnings immediately preceding such detention, but the aggregate payments under all these provisions may not exceed one year's earnings, as above determined. Payments are made only to the master, officer, or member of the crew except, in case of loss of life, to his estate for distribution to his family free from liability of debt, and in the case of capture to his dependents, if such have been designated by him.

Another extension of the scope of marine and seamen's insurance was effected by an amendatory act of July 11, 1918, whereby, "When it appears to the Secretary of the Treasury that vessels of foreign friendly flags, or their masters, officers, or crews, or shippers, or importers in such vessels are unable in any trade to secure adequate war risk insurance on reasonable terms," the bureau is "authorized to make provisions for the insurance by the United States

of (1) such vessels of foreign friendly flags, their freight and passage moneys and personal effects of the masters, officers, and crews thereof, against the risks of war when such vessels are chartered or operated by the United States Shipping Board or its agent, or chartered by any person a citizen of the United States, and (2) the cargoes to be shipped in such vessels of foreign friendly flags, whether or not they are so chartered." The bureau may also, at the discretion of the Secretary of the Treasury, issue insurance in the above circumstances to protect masters, officers, and crew against loss of life or personal injury and to include compensation during detention following capture.

The business success of marine and seamen's insurance, which has not cost the Government thus far a dollar, and the extent of the benefits and protection it has given to our shipping are evidenced by the record from September 2, 1914, to June 30, 1918, when \$43,185,770 had been paid in premiums, the losses paid had amounted to \$28,894,848, and after allowance for all costs of administration there was a surplus in the Treasury of more than \$14,000,000. The full amount of such insurance written during the period of nearly four years was \$1,244,671,238, and the total cost of administration was approximately \$130,000.

**Soldiers' and sailors' insurance.** The second stage in the development of war risk insurance began with the amendatory act of October 6, 1917, which was in reality three great legislative proposals in one. Any one of the three features of this act was destined to relegate to relative insignificance the provisions for marine and seamen's insurance and the previous work of the Bureau of War Risk Insurance. This act sought to apply the principles of mutuality, governmental coöperation and insurance to lighten the burdens of war for our soldiers and sailors, their families and dependents.

Insurance benefits in the strict sense are only part of the benefits provided for soldiers and sailors and intended to safeguard the welfare and morale of the Army and Navy by the Act of October 6, 1917, which created the Military and Naval Division of the Bureau of War Risk Insurance. It provides for three new, effective, and far-reaching services of the Federal Government, namely: (1) Allotment of pay and family allowance; (2) compensation and indemnity for death or disability; (3) insurance against death or total and permanent disability.

**Allotments and family allowances.** Congress had already, prior to October, 1917, laid the right foundation for this part of the War Risk Insurance Law by raising the pay of the enlisted men in the Army and Navy, making the minimum pay for nearly all in the service thirty dollars a month, or double what it was before in most cases, and higher than that of any other army in the world. This was a just measure to protect the high standards of living at a time when so many citizens were called upon to forsake their usual peaceful occupations. But this was not enough to equalize the sacrifices which all citizens must make in time of war. No rate of pay for the Army and Navy could be made high enough to do that. So Congress proceeded to supplement the regular pay upon the theory that, since the call to arms does not annul the moral and legal obligations of every man to support his family and those who have a blood-tie claim upon his earnings, it is the plain duty of the whole country which he serves to aid him financially to do this without undue lowering of his standard of living and without requiring a disproportionate sacrifice on the part of his dependents.

This is sound doctrine, however, only when the enlisted man first does his part and contributes from his own resources all he can reasonably spare. Therefore we begin with the allotment which must precede a request for an

allowance. Allotments and family allowances are not provided for commissioned officers or for members of the army or navy nurse corps (female). The allotment is compulsory for every enlisted man who has a wife, or child under eighteen years of age or of any age if the child is insane or permanently helpless, or a divorced wife to whom alimony has been decreed by a court and who has not remarried. These persons constitute what is known as "Class A" dependents. A common-law wife is entitled to the same consideration as a wife by ceremonial marriage, and the claims of a wife and children take precedence of those of a former wife divorced. Every enlisted man was required to file with the War Risk Bureau a statement, showing whether or not he has a wife, child, or former wife divorced.

More than half of the men in the Army and Navy claimed to have no dependents for whom allotment of pay was compulsory or for whom they wished to make a voluntary allotment. If an allotment is made for any beneficiary and through inadvertence or otherwise no request has been made for a family allowance the wife, child, or beneficiary or some one on their behalf may apply to the bureau for the family allowance.

Class B dependents, for whom the allotment is voluntary, include parents, brothers, sisters, and grandchildren. Parents include fathers and mothers through adoption as well as natural parents, and grandparents and step-parents either of the person in the service or of the spouse. Brothers and sisters include those of the half blood and step-brothers and step-sisters and brothers and sisters through adoption. Even if Class B dependents are in want an enlisted man was not compelled to make an allotment for their support, but he must do so before the Government will pay any family allowance to them.

The allowance in all cases both for Class A and Class B

dependents is granted only when applied for, after the required allotment of pay has been made. The monthly compulsory allotment is \$15 for Class A dependents where such exist whether a family allowance is applied for or not.

Where a man has Class A dependents, but no Class B dependents, and has allotted \$15 per month, the Government grants on application a family allowance according to the following schedule: For a wife but no child, \$15; a wife and one child, \$25; a wife and two children, \$32.50, with \$5 per month additional for each additional child up to a total of \$50, which is the maximum Government allowance to the dependents (Classes A and B) of any one man under all circumstances; no wife but one child, \$5; two children, \$12.50; three children, \$20; four children, \$30, and \$5 for each additional child.

Family allowances are made for Class A dependents without reference to the dependency or need of such dependents. A wife or a former wife divorced who does not wish the allotment and the family allowance may waive the allotment for herself and the children in her custody, but she may do so only by her written consent supported by evidence satisfactory to the Bureau of War Risk Insurance of her ability to support herself and the children in her custody. If the compulsory allotment is waived, no Government family allowance is paid.

When a man in the service has Class A dependents for whom he is making an allotment, and in addition has Class B dependents for whom he wants an allowance, he must make an additional allotment of \$5. Class B dependents receive allowances as follows: One parent, \$10; two, \$20; each grandchild, brother or sister, or additional parent, \$5, provided the total family allowance for Classes A and B dependents for one person does not exceed \$50 per month.

As there are no compulsory allotments for a woman in

the service, her dependents are always Class B dependents. For Class B dependents where there are no Class A dependents men and women alike in the service must allot, if they want allowances for their Class B dependents, \$15 per month. In the case of a woman, the family allowances for a husband and children are the same as in the case of a man for a wife and children except that dependency must be proved to exist, as in the case of other Class B dependents.

Class B allowances are subject to two conditions: (1) The persons receiving the allowance must need it and be dependent in whole or in part for support upon the person making the allotment. They need not be wholly dependent. They may have earnings of their own or also other sources of support. (2) The enlisted man must make a monthly allotment of his pay for the dependents.

The amount of the family allowance is subject to the limitations that the allowance added to the allotment must not exceed the amount of the habitual contribution from the man to the dependents in all cases where dependency existed prior to enlistment or prior to October 6, 1917. Otherwise the Government allowance will be proportionately reduced.

If, however, a Class B dependent, for whom a family allowance is claimed, becomes dependent in whole or in part on the enlisted man, subsequent to both enlistment and October 6, 1917, the limitation as to habitual contributions is regarded as not applicable, and the family allowance is paid without regard to it.

**Compensation for death or disability.** The analogy of industrial experience with compensation remedies to the problem of caring for the hazards of war is plain. In the case of our military and naval forces the industry is an "extra hazardous" one, the payments for compensation must be liberal and the cost will be heavy. The Govern-



ment of the United States is the employer and the Nation or the people of the United States are the consumers or those for whom the operations of war are carried on. The Government therefore should bear the whole cost of compensation for death or disability for officers as well as for enlisted men, and for members of the nurse corps (female), and distribute the burden through taxation. It does not require any contribution from the enlisted man as in the case of allotments of pay upon which family allowances are based or in the case of premiums covering the peace rates for insurance. The soldier or sailor does his part when he risks his life and bears the unavoidable personal suffering from injury or disease incurred in the service of his country. Compensation is a payment in addition to regular pay, family allowances and insurance benefits, and serves to equalize the burdens and risks of military service which inevitably are unequally distributed between those called upon to serve in front-line trenches as compared with those serving in no less necessary operations behind the lines.

This second great service of the War Risk Insurance Law, which makes provision for compensation for death and disability, is necessarily a complicated and technical one. It is more liberal and far more just than any pension law that has ever been passed or now exists, and it should make any supplementary pension legislation for those engaged in this War wholly unnecessary. While it will cost the Government huge sums of money depending upon the number of men engaged in this War, the length of the War, and the severity of our casualties, it will doubtless cost less, be far more just and equitable in its benefits, and give more aid and comfort where it is needed than any general pension scheme could possibly provide.

Compensation for death or disability is provided for all members of the United States military and naval forces,

including not only enlisted men, but also commissioned officers and members of the army and navy nurse corps (female). In the case of death, the widow, child, dependent mother and dependent father receive the benefits provided. Compensation is not paid automatically, but must be applied for on blank forms furnished by the Bureau of War Risk Insurance. It varies in amounts from \$30 to \$100 a month paid to the disabled man, and from \$20 to \$75 a month paid to his widow, child, dependent mother or dependent father.

Unlike industrial compensation the amount does not vary in proportion to the wage or previous income of the disabled person or of the deceased. It is based on a new principle, namely, that of the family need, on the theory that under the conscription law the family is conscripted when the bread-winner is taken away. Therefore, the amount paid, if the man is disabled in the line of duty, varies according to the size of his family and changes from month to month or year to year as the family status changes. If a man is a bachelor and is totally disabled, he gets \$30 a month; if he has a wife but no child living, \$45 a month; a wife and one child, \$55; a wife and two children, \$65; a wife and three or more children, \$75; no wife but one child living \$40, with \$10 for each additional child up to two; a mother or father, either or both dependent upon him for support in addition to the above amounts, \$10 for each. He is entitled, in addition, to free medical, surgical, and hospital service and supplies, including artificial limbs, etc., as the Director of the War Risk Bureau may determine to be useful and reasonably necessary; and for certain claims of disability such as the loss of both feet, or hands, or both eyes, he gets, in lieu of all other compensation, the flat sum of \$100 a month. Partial disability is prorated at a percentage of the compensation for total disability equal to the degree of the

reduction in earning capacity resulting from the disability.

In case of death resulting from injury in the line of duty, the monthly compensation paid is as follows: For the widow alone, \$25; for the widow and one child, \$35; for the widow and two children, \$42.50, with \$5 for each additional child up to two; if there be no widow then for one child, \$20; for two children, \$30; for three children, \$40, with \$5 for each additional child up to two; for a dependent mother or dependent father, \$20, or both, \$30, except that the amount paid to a dependent mother or dependent father or both when added to the total amount payable to the wife and children shall not exceed \$75. Compensation is payable for the death of but one child. No compensation is paid to a dependent mother on account of a child if she is already in receipt of compensation on account of the death of her husband.

Compensation is further limited by the following considerations. None is paid if the injury or disease was caused by the man's willful mis-conduct. None is paid for death or disability occurring later than one year after the man leaves the service, unless a medical examination at the time of his resignation or discharge or within one year thereafter proves that the man was then suffering from an injury or disease likely to cause death or disability later. None is paid for death inflicted as punishment for crime or military offense unless inflicted by the enemy. None is paid unless the claim is filed within five years after the death was recorded in the department in which the man was serving at the time of his death, or in case of death after discharge or resignation from service, within five years after death. None is paid for disability unless the claim is filed within five years after discharge or resignation from the service or within five years after the beginning of disability occurring after leaving the service. None is paid for any period more than two years

prior to the date of claim. None is paid during the period in which the man is reported as missing, if during that time his pay and family allowance go on; a man is not considered dead until reported so by the department under which he is serving. None is paid to those receiving service or retirement pay.

The discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious objector, or a deserter, or is guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct, bars all rights to compensation and also terminates any insurance granted on the life of such person under the insurance provisions of the War Risk Insurance Act.

Compensation is not assignable and is exempt from attachments execution and from all taxation, and the law providing for gratuity payments for death in the service and all existing pension laws are inapplicable to persons in the active service at the time of the passage of this act, or to those entering into the active service after, or to their widows, children or dependents, except in so far as rights under such laws shall have heretofore accrued. If death occurs before discharge or resignation from the service there is provision for the payment by the United States of burial expenses not to exceed \$100. The compensation to a widow ceases upon her remarriage, and to a child when it reaches the age of eighteen years or marries, unless the child be incapable because of insanity, idiocy, or being otherwise permanently helpless, in which case it continues during such incapacity.

In the interpretation of the compensation provision, the Bureau of War Risk Insurance has endeavored to be as liberal as the spirit of the law permits. An illustration of this is found in the definition by regulation of the term

“total disability,” which is defined as “any impairment of mind or body which renders it impossible for the disabled person to follow continuously any substantially gainful occupation,” and again in the regulation which says that total disability is deemed to be permanent whenever it is founded upon conditions which render it reasonably certain that it will continue throughout the life of the person suffering from it.

In addition to providing compensation for disability and death, the Government promises to do everything in its power to restore a man who has been injured by accident or diseases incurred in the line of duty to the fullest possible physical and economic power. The people of the United States do not want this War to produce a large crop of “corner loafers,” that is, men who will come back injured more or less seriously by their war experience, and without ambition, to rely upon what the Government will do for them and consider that it owes them a living. They will be far happier if they can be restored in part, if not in whole, to their previous earning ability and have found for them some new occupation which they can successfully pursue even though maimed and impaired in physical powers. Courses of education and rehabilitation have been provided by the United States.

Rehabilitation work and vocational training were begun by the Surgeon General of the Army and by the Surgeon General of the Navy, who make provision for bedside instruction and training during convalescence until the men are discharged from the service. The Vocational Rehabilitation Act of June 27, 1918, makes provision whereby the Federal Board for Vocational Education is authorized and directed to furnish, where vocational rehabilitation is feasible, such courses as it may prescribe, to every person who is disabled under circumstances entitling him after discharge

from the military or naval forces of the United States to compensation under the War Risk Insurance Act. While taking such courses the injured person receives monthly compensation equal to the amount of his monthly pay for the last month of his active service, or equal to the amount of his compensation under the War Risk Insurance Act, whichever amount is the greater; and in the case of an enlisted man, his family receives compulsory allotment and family allowance in the same way as provided for enlisted men in active service. It also authorizes the bureau to withhold the payment of compensation during the period of any willful failure to follow any prescribed course of rehabilitation. The board may also pay additional expenses where necessary to enable injured men to follow successfully its prescribed courses of rehabilitation.

**Insurance against death and permanent and total disability.** The third great national service provided for the military and naval forces by the War Risk Insurance Bureau is intended to copper-rivet the protection afforded by the other two — allotments and family allowances, and compensation and indemnity. It is what is generally known as annual, renewable, term insurance with premiums paid monthly. It is voluntary, but may be taken by officers, enlisted men, and members of the army or navy nurse corps (female) in amounts of not less than \$1000, in multiples of \$500 up to a maximum of \$10,000. Its chief purpose is to restore the insurability which a man in prime physical condition who passes the medical tests required for active military or naval service, either loses or finds impaired when he enters such service. This lost or impaired insurability is restored by giving him the opportunity to buy insurance at peace rate cost renewable from year to year, and convertible into any of the ordinary forms of insurance within five years after the end of the war, without physical examination.

The premium rates are based upon the American Experience Table of Mortality and interest at three and one half per cent per annum, and represent the actual cost of the insurance, not including administrative expenses which the Government bears, or any loading for solicitor's commissions, advertising, inspection or medical examinations. The extra hazard of the war risk is created by the Government's call to service and it properly bears that cost also.

Therefore the man gets insurance in an extra hazardous occupation at less cost than the same form of insurance would cost him in peace times in any commercial insurance organization. He has one hundred and twenty days after enlistment or entering the service in which to elect to take the insurance and to decide upon the amount he wants. After that time he may drop any part of his insurance he does not want to carry, but may not increase his policy. The insurance is in force immediately the signed application is mailed or delivered and even a formal application is not necessary, as the bureau recognizes any written application which sufficiently identifies the applicant and specifies the amount desired. The acceptance is of course conditioned upon the man passing his physical examination and being admitted to the active service if that is not already the case.

Premiums of men in the service were usually paid by monthly allotment of pay. The rates during the war ran from 63 cents per month per thousand dollars of insurance at the age of fifteen to \$3.35 at the age of sixty-five, increasing annually to the age rate for the next age year. The insurance will run as long as the premiums are paid whether the man leaves the service or not, provided it is converted into permanent forms of insurance within five years after the close of the war, unless it is terminated by the discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien, conscientious

objector, or a deserter, or is guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct.

The amount of the policy, in the event of death or total and permanent disability, is payable in two hundred and forty monthly installments, except that if the insured is permanently and totally disabled and lives longer than two hundred and forty months, payments continue at that rate as long as he lives and is so disabled; and in the event of his death before two hundred and forty payments have been made the remaining monthly installments go to his beneficiary.

In the event of death before any or all of the two hundred and forty payments have been made, the insurance is payable likewise in monthly installments to any beneficiary designated by the insured within a limited class consisting of a spouse, child, grandchild, parent, brother or sister as defined above in the case of allotments, allowances and compensation. If no beneficiary within the permitted class is designated by the insured or if the designated one does not survive the insured, the payments go to such persons within the permitted class of beneficiaries as would be entitled, under the laws of the state of the residence of the insured, to his personal property in case of intestacy. If no such person survive the insured, then there shall be paid to the estate of the insured an amount equal to the reserve value, if any, of the insurance at the time of his death, calculated on the basis of the American Experience Table of Mortality, and three and a half per cent interest in full of all obligations under the contract of insurance.

There are no other provisions for lump sum payments. The insurance payments are further protected, however, by the provision, which applies also to payments for allotments and family allowances and compensations, that they are not



assignable, nor subject to the claims of the creditors of any person to whom an award is made, except claims of the United States against the person on whose account the allotments and family allowances, compensation, or insurance is payable.

**Automatic insurance.** The Act of October 6, 1917, contained a very wise provision for automatic insurance whereby all men in the active service on or after April 6, 1917, the date when war was declared, who between that date and February 12, 1918, which was the date of the expiration of the one-hundred-and twenty-day period immediately following the date of publication of the terms of the contract of insurance (October 15, 1917), were totally and permanently disabled or died without having applied for insurance, were to be deemed to have applied for and to have been granted insurance payable to such person during his life in monthly installments of \$25 each. This was about the equivalent of \$4500 of insurance. In the event of death, however, the payments of the balance of two hundred and forty such payments to beneficiaries were restricted to a widow remaining unmarried, a child, or a widowed mother. This restriction was amended June 25, 1918, so that the beneficiary might be a widow during her widowhood, or if there is no widow surviving, then to the child or children of the insured, or if there is no child surviving him, then to his mother, or if there is no mother surviving him, then to his father, if and while they survive him. This provision was made retroactive and the bureau was directed to revise all awards of automatic insurance in accordance with its terms on July 1, 1918.

The appreciation on the part of the men and women in the military and naval forces of the benefits of this voluntary insurance is abundantly shown by the fact that over thirty-eight billion dollars of insurance was written up to February

15, 1919, and is in force, covering over ninety-five per cent of the entire Army and Navy in amounts averaging nearly eighty-five per cent of the maximum allowed per person.

**Converted insurance.** In addition to all the other benefits the war risk insurance has valuable conversion rights. It must be converted, the law says, "not later than five years after the date of the termination of the war, as declared by proclamation of the President of the United States, . . . without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. Regulations shall provide for right to convert into ordinary life, twenty-payment life, and endowment maturing at age of sixty-two, and into other usual forms of insurance and shall prescribe the time and method of payment of the premiums thereon, but payments of premiums in advance shall not be required for periods of more than one month each and may be deducted from the pay or deposit of the insured, or be otherwise made at his election."

The Attorney General of the United States has rendered an opinion that the conversion of the term insurance may take place at any time. The bureau is prepared to issue its regulations and offer the terms of the new converted insurance, and such conversion need not await termination of the war. Of course the cost of the converted insurance will be charged in the premiums to the insured, and will be much higher than peace-rate cost of the term insurance in which the Government bore the expense of the war risk in addition to the expenses of administration, and of course there will be no overhead loading of premiums for commissions, advertising expenses, etc. Therefore, the rates for the converted insurance, which the bureau is prepared to announce, will be lower, perhaps, by twenty or thirty per cent than the corresponding premium rates for similar insurance in private

companies. It is, however, doubtless to the interest of discharged soldiers and sailors to retain the present term insurance as long as the law allows — that is, until five years after the termination of the War. This would be true particularly of the younger persons among the insured, but the inducement to retain all or the largest possible part of the insurance which they now have and to convert the same either now or later will be greatly increased by the attractiveness of the terms offered for the converted insurance. The bureau has carefully determined, in full detail, the terms and conditions for converted insurance. It is awaiting authority of Congress, before publishing these terms, to increase the permitted class of beneficiaries to include uncles, aunts, and other near relatives, and to set aside premiums in a reserve fund and to invest the same in farm loan bonds and other securities to yield more than the three and one half per cent interest rate upon which the premiums are now calculated, so that there may be earnings which will be distributed in dividends, thereby lessening the net cost of the premium rates.

The following forms of policies will be issued by the bureau:

- (1) Ordinary life.
- (2) Twenty-payment life.
- (3) Thirty-payment life.
- (4) Twenty-year endowment.
- (5) Thirty-year endowment.
- (6) Endowment maturing at age sixty-two.

These policies will be issued in sums ranging from \$1000 to \$10,000, in multiples of \$500. The insurance will be issued against death and total permanent disability. Should the policy become a claim by death, payment of \$5.75 per month is guaranteed for two hundred and forty months for

each thousand dollars insurance; and should the insured become totally and permanently disabled, payment of installments will continue during his life while so totally and permanently disabled. The premiums are calculated on the basis of the American Experience Table of Mortality, with three and one half per cent interest (net peace-time rates). No addition is made to these premiums to cover the cost of issuing the insurance and of its administration. Furthermore, no additional charge is made for the additional liberal benefit whereby the insurance is paid in case the insured becomes totally permanently disabled.

Converted insurance is unassignable, non-taxable, and free from the claims of creditors. It takes effect on the first of the month succeeding the month in which application for conversion is made, provided the premiums on the term insurance have been paid for the current month. The premiums are payable monthly on the first of the month, but may be paid quarterly, semi-annually, and annually. The policies participate in gains and savings and provision is made for the payment of dividends as earned, or they may be left to accumulate at interest with the Government. Surrender values will be provided with the other usual features contained in insurance policies issued by life insurance companies. The insurance payments will be made in monthly installments, but will be paid in one sum (1) when cash value is taken, (2) when surrendered for paid-up insurance, (3) when the policy matures as an endowment.

The rates for converted insurance for ordinary life policies vary from an annual premium of \$12.29 at age 15, to \$15.24 at age 25, \$20.08 at age 35, \$23.74 at age 40. Corresponding figures for twenty-payment life are: \$19.25 at age 15, \$20.79 at age 20, \$22.56 at age 25, \$24.81 at age 30, \$27.52 at age 35, and \$30.95 at age 40; and for twenty-year endowment the corresponding figures are \$38.86, \$39.10,

\$39.34, \$39.69, \$40.28, and \$41.46; and for endowment at age 62, \$14.88, \$17.01, \$19.85, \$23.74, \$29.30, \$37.56. Detailed tables of premium rates for the six forms of insurance to be issued giving the rate of monthly, quarterly, semi-annual, and annual premium at ages from fifteen to seventy, inclusive, will be issued by the bureau.

**Social insurance and reconstruction.** One of the outstanding lessons of the War which will be spread to every part of the United States by the returning soldiers, who are the young voters, and will take a new and active interest in governmental organization and community activities, is undoubtedly a new sense of the value of coöperation. The principle which has served so well in giving the maximum protection at low cost to our soldiers engaged in the hazardous occupation of war, will undoubtedly be applied to the great social problems that now confront us. The stabilization of industry and the development of an efficient public health service in every State and locality are problems pressing for solution. The average level-headed American business man, when he recovers from the novel and unexpected experiences of recent months and becomes adjusted to the new conditions of the new industrial order upon which we are now entering, will have no doubts about the kind of safe democracy he wants in the Government under which he lives. The full exercise of governmental powers of compulsion and the resources of Government will be demanded in order that every contract of employment, like that of the Government itself with its military and naval forces, must in the future, whether it be a contract with the Government in civil employment or with private employers, contain ample insured provision against loss of income through sickness, invalidity, old age, or industrial displacement, or fluctuation in employment. Whether this is accomplished through the rapid development of Government operated and

controlled insurance or through better supervision, less extravagant and safer private insurance, or through a combination of both, will make little difference.

The experience of the first year of war risk insurance or Government insurance for soldiers and sailors has demonstrated that the legitimate interests of private life insurance companies have been strengthened and fostered by this experiment in Government insurance. Some of the insurance companies doubtless feared that the contrary would be the case and many of them were prepared from patriotic motives to sacrifice their own business interests as other lines of business were called upon to make sacrifices to help win the War. The leaders of private life insurance business throughout the country coöperated very generally with the Government in encouraging the military and naval forces to take this war risk insurance to the fullest extent. But it is significant that most of them were apprehensive of expected resultant losses to private insurance business and fearful of any extension of such Government insurance beyond the limits set in the original War Risk Insurance Act. There is now every reason to believe that the four million men insured under this act have given an enormous impetus to life insurance throughout the country, the incidental effect of which will more than offset any loss which the private companies may have suffered by reason of the operation of this act.

I have no doubt that if the Government were to enter upon the larger field of social insurance along the lines that I have just indicated, and make provision for the extension of something similar to the war risk insurance to all civilian employees of the Government, and also to make provision for sickness, old age, and possibly unemployment insurance for industrial workers, there would still be room for further development of private insurance either in competition with

the Government or along lines that would supplement the limited field which the Government could occupy for a long time to come.

The further coöperation of private insurance companies with the Government is most desirable and should be secured, in determining the next practical steps in social insurance which are : (1) provision for the most liberal conversion of war risk insurance for soldiers and sailors on terms equitable to the public interest and their ability to carry the maximum of such insurance as permanent protection against death and total and permanent disability; (2) extension of similar insurance protection to all civilian employees of the Government; (3) development of health insurance for all governmental employees and its extension as rapidly as possible to all citizens as an essential element in the development of a public health service; (4) establishment of State administered mutual health insurance and insurance against accident, invalidity, and old age as well as death, for all industrial workers, compulsory upon their employers and themselves for those wage-earners whose incomes will not permit of their being relied upon to make equivalent provision for themselves and their families on a voluntary basis.

These steps must be taken regardless of whether they favor or retard the private fortunes of any single industry in the land, because they concern too vitally the private fortune, be it large or small, of every citizen, and the general welfare of the body politic.

No one had a larger vision of the need and significance of social insurance to meet the war emergency than the late Secretary of the Treasury, Mr. William G. McAdoo, who is quoted in a statement recently made in California as saying:

In my opinion there is no doubt about the principle of social insurance. We have substituted the justice of insurance for the charity of pensions in the army and we shall undoubtedly come to

a consideration of the whole field of social problems to which the principle of insurance can be applied. Insurance against sickness, old age and unemployment, as they have it in England and other European countries, may be the next social step for the United States.

Professor G. R. Miller, of Colorado State Teachers' College, in an excellent little treatise on *Social Insurance in the United States*, in speaking of the educational influence of insurance measures says:

The United States is well on the way to the adoption of a general scheme of social insurance. The principle involved is already accepted by two thirds of the States. There is both a general and particular educational influence exerted by protective laws. Their enactment by public authority tends to impress workers with their own social and individual value, elevate self-respect, and stimulate ambition, impress the public mind with the utility of social effort for general betterment, and stimulate thoughtful educated minds regarding further programs for progress.

Social insurance is a very positive departure from a *laissez-faire* theory of society. It places emphasis on definite purposive effort to accelerate social advance. It assumes that theories of progress, and of group values, have been sufficiently analyzed to warrant application and practice. The existence and continuance of insurance laws in prominent modern nations is a historical demonstration of the evolution of social science from the theoretical status to a practical applied stage; and also constitutes a merging process of sociology and economics. Furthermore, it furnishes a great practical correlating social focus for the professional activities of physicians, biologists, psychologists, sociologists, economists, educators, lawyers, employers, business men, and statesmen. These professionals constitute separate centers of scientific thought. Social insurance will invite and necessitate the attention of all these groups to the organization, direction and control, and general appraisal of social results of insurance laws. Their opinions will exert large educational influence on legislatures, executive officers, and on the public mind. It is probable that no progressive program in America offers as great educational opportunities, or will function more widely in compelling and disseminating knowledge,



than will social insurance. It is by its inherent appreciative nature, and widespread operation among millions of people, a great working laboratory and a universal teaching process.

No plan of readjustment in passing from a war basis to a peace basis in the organization of industry, governmental activity, and social life, holds more of promise for achieving justice to those who have fought the battles of democracy on foreign battle-fields, as well as to those who have done their bit at home, than a wise and sound scheme of social insurance covering all common risks of our economic life and furnishing a basis of security for an orderly development of peaceful pursuits.



## **IV**

### **AFTER-WAR LABOR PROBLEMS**

**HAROLD G. MOULTON**

*Professor of Economics in the University of Chicago*

**WILLIAM F. OGBURN**

*Of the National War Labor Board*

### XIII

## DEMOBILIZATION AND UNEMPLOYMENT<sup>1</sup>

HAROLD G. MOULTON

**The problem of reëmployment.** The sudden termination of the War has brought this country to a sharp realization that our man power and our industrial power must now be demobilized from the destructive work of war and remobilized for the constructive work of peace. Millions of soldiers must be returned from the armies to private employment; millions of war workers must be mustered out of the industrial armies and be reabsorbed into the industries of peace. War contracts amounting to many billions of dollars annually must shortly be replaced by peace contracts for more than a like amount.<sup>2</sup> The situation with which we are confronted is without a parallel in our industrial experience.

**Its possibilities.** To present the problem in definite terms, it may be stated that one, or all, of the following results are not impossible during the next two or three years:

- (1) There may be a substantial reduction in the total output of industry — at a time when there is a greater need than ever before for increased production;

<sup>1</sup> *Editorial Note:* The paper printed as Chapter XIII was originally prepared by Professor Moulton for the Reconstruction Conference of the National Popular Government League. It was read by him at the first session of that Conference, held at the auditorium of the new building, Department of the Interior, January 9, 1919. For permission to republish the article we are under obligations both to Dr. Moulton and to the directors of the Conference.

<sup>2</sup> I say "more than a like amount" because the total production of this country must in the coming year be larger than it was in 1918, if, in addition to our present working forces, some three million men now in the armies are to be given employment.

- (2) there may be a serious reduction in the rate of wages before there is a corresponding fall in the cost of living;
- (3) there may be a large volume of unemployment, serious privation for millions of people, and an unparalleled burden placed upon our charitable institutions;
- (4) there may be an outbreak of industrial warfare such as this country has not known in decades;
- (5) there may be a rapid increase of revolutionary doctrine — subversive of the principles of American life.

It is not the purpose of this paper to attempt to prove that the foregoing possibilities are certain to prove actualities. It is enough that leading students of the problems of demobilization and reconstruction, both in Europe and America, have reached the conclusion that the period of readjustment following the War is fraught with the gravest dangers. True, there are some people who still insist that we are entering upon a period of unparalleled prosperity. They apparently believe that an ideal setting for an era of prosperity in a delicately adjusted interdependent world economic organization is to be found in the following conditions; namely:

- (1) complete disorganization of world trade and world markets;
- (2) a great dearth of world-shipping coincident with extraordinary demands upon it for troop transport movement;
- (3) complete disorganization of the industrial life of the major portion of the world;
- (4) a shifting of labor equal in most of the belligerent nations to perhaps fifty per cent of the entire working population;
- (5) violent price fluctuations, national and international;

- (6) a demoralized and utterly befogged spirit of business enterprise;
- (7) an exhausted and impoverished Europe with enormously reduced purchasing power;
- (8) a disrupted social and political life that has reached the stage of open revolution in a considerable portion of the civilized world.

It would seem to me that when well-nigh the entire political, social, and economic world is on beam's end is a time when thoughtful men should summon all the knowledge and power at their command and attempt to formulate constructive policies with which to meet the situation. It is only common sense in these days to urge that society should insure itself, wherever possible, against the uncertainties of the future.

Lest I appear to be overstating the dangers of unemployment, let me call to your attention that recent statistics of unemployment, as revealed in the telegraphic reports received by the United States Employment Service, showed, on January 2, 46 cities out of 120 cities reporting with unemployment, and a considerable number with unsettled industrial relations.

**Precautions against unemployment.** I have said that we should attempt to insure ourselves against the dangers of the transition period by constructive action. This brings us to a consideration of buffer employment on public works. Substantial reduction in the volume of production, serious decline in wage rates, unemployment, public charity, and social disorder can be avoided only by providing a large demand for labor. And since private industry cannot immediately absorb the entire flow into the labor market, public employment must be provided as a buffer — to continue until such time as the entire labor supply can be employed in ordinary industry. Buffer employment may be

provided by quasi-public enterprises, by the Federal Government, by State Governments, and by municipalities — by each of them separately, or by all of them under a co-ordinated policy.

**Quasi-public enterprises.** The railroads appear at first blush to offer an excellent opportunity for a large employment of returning soldiers and war workers. There is no question of the need for thoroughgoing extension of existing railroad facilities; for the railway net, owing to a combination of causes, was seriously behind the industrial needs of the country even before the War. The industrial progress of the country in the coming years now waits upon railroad development. But, unfortunately, there is no assurance whatever that this much-needed development will take place during the transition period. There is apparently not a large amount of postponed maintenance to be made good. And extension can properly be made only with the consent of the shareholders. In view of the present high costs of railroad construction and the political uncertainty with reference to the future ownership and control of the railway system, it is not at all improbable that railway development will be indefinitely postponed.

Extensions and improvements of public utility corporations are also possibilities. It is doubtful, however, if any development will take place here in the near future, owing to the present financial condition of the companies. The increased costs of operation during the War, which, speaking generally, could not be offset by corresponding increases in rates, have produced a situation such that the public utility corporations feel that they must wait until the cost of production is lower than at the present before making extensions. If we are to provide buffer employment for returning soldiers, therefore, it must be on distinctly Government projects.



**Federal projects.** Among the Federal projects, reclamation in its various forms is of first importance. It is easy to assume that great numbers of laborers can easily be employed in reclamation work; and large numbers could, indeed, be employed if enormous appropriation were made for the purpose. It is important to point out, however, that an appropriation of \$500,000,000 for Federal reclamation work would give employment at living wages to about 166,000 men for a year. (This figure is based on the cost records of the United States Reclamation Service.) It may be of interest to note that 10,000 men is the highest that has ever been employed in Federal reclamation projects in any one year. Now, it is not inconceivable that an appropriation of \$500,000,000 for reclamation projects might be made. It is utterly inconceivable, however, that the entire expenditure could be made intelligently this present year. The reclamation of swamps and cut-over lands, for instance, requires the most careful engineering and agricultural surveys, if we are to make sure that the areas reclaimed will be those which yield the largest return for the smallest outlay. The same holds true for flood control, irrigation, what-not. It would be nothing short of a national calamity if, in an excess of zeal, public employment should degenerate into a "make-work" program regardless of the social value of the work performed.

It would be particularly unfortunate, for instance, if we should engage upon an extensive program of river and canal development without the most careful preliminary study of the relative advantages to be derived from an expenditure upon waterways. This is true, whether river and harbor and canal appropriations be made on the old "pork-barrel" basis or in accordance with the most approved principles. When such a man as M. Colson, eminent French authority on transportation, — Counsellor of State and Director of

Roads and Bridges in France, — has demonstrated that the canal systems of France and Germany annually result in a heavy economic loss to those countries, it is highly important that we make a thoroughgoing analysis of the entire transportation problem before we proceed to make enormous expenditures on waterway development.

**State projects.** In the various States of the Union there are many public works which have been postponed because of the shortage of material during the War. These should now be completed at once. The public highways of this country are recognized to be at once a disgrace to American enterprise and economically wasteful to the extent of millions of dollars annually. The case is perfectly clear, therefore, that the States should, wherever possible, put through extensive road-building programs. Not only is the social value of such improvements beyond question, but the amount of employment given to labor is larger in proportion to the total expenditure than in most other types of public works.

In passing, it may be noted, however, that many States have reached the limit of their bond-issuing capacity and that some are not permitted to borrow at all. This is a result of the experience through which we passed in the decade of the thirties. With high hopes of great financial returns, the young Middle Western and Southern States of those days engaged extensively in the construction of public highways, railroads, and waterways. They built beyond the needs of the time, however, and the disastrous years following the panic of 1837 carried the sparsely settled commonwealths of that day into bankruptcy. The reaction proved so strong that the amendments of the State constitutions that resulted in the forties in many cases imposed limitations upon the borrowing powers of the State so serious that now, although the conditions which existed in earlier

days have passed forever, many States are still debarred from engaging in public enterprises. True, the constitutions may be amended. But the time required for such drastic procedure is so great that it could often not be accomplished until years after the transitional crisis had come upon us. There is one State, at least, where it takes six years to amend the constitution. But whether or no such States can accomplish anything in the present crisis, it is high time that steps be taken to remove the financial restrictions which now prevent constructive internal development.

**City enterprises.** The American cities perhaps afford the best opportunity for extensive construction projects during the immediate future — though as in the case of the States there are frequently serious financial limitations. Many building projects were postponed during the War in consequence of the shortage of labor and building materials, and many of the cities now have funds in hand and are prepared to begin at once the delayed constructive operations. Data before me from thirteen typical Middle Western cities show expenditures of \$27,000,000 which will be made in the near future. It is estimated that 48 per cent of this will go for labor. It has been reliably estimated that the total of public money annually spent in the United States on permanent improvements is about \$600,000,000 — about two thirds of which is spent by the governments of cities. During the years 1917-18 about \$300,000,000 of such work was postponed — mainly in the States and cities. If in the year 1919 we should spend this \$300,000,000, plus \$600,000,000 normally devoted to new construction, and add to that another \$300,000,000 as an insurance for the emergency, we would be able to employ on public works (Federal, State, and municipal) during the year 1919 about 400,000 men.

**Indirect results.** The carrying through at this time of a

program of public works would result not merely in giving direct employment to 400,000 workmen; it would do much to start the wheels of hesitant industry everywhere. At the present moment the demands for the production of basic raw materials is at a low ebb owing to the sudden cessation of enormous war orders and the uncertainty as to the immediate future of private industry. Let the National Government, the State Governments, and the municipalities engage in a comprehensive building program and the materials required will immediately create a strong demand for the production of iron and steel, and metals generally, of coal, lumber, cement, etc. The wages paid to the employees engaged in public works would at the same time place in their hands purchasing power with which they would go into the markets and demand the commodities which enter into ordinary consumption. Similarly, the wages paid to those engaged in the production of the raw materials required for the building operations would serve to create an additional demand for goods for consumption. The increase in demand thus becomes rapidly cumulative, and the foundations are laid for a period of great activity in all lines of industry.

This is not mere closet theory. It accords with the facts of every period of business expansion. The main steps in a period of recovery from business depression have been definitely established. They are as follows:

- (1) The initial impetus to business recovery is usually some fortuitous event such as bumper agricultural crops, which makes the farming industry prosperous, or a heavy demand for iron and steel occasioned by war.
- (2) The increased demand for commodities that ensues results in running existing business establishments at full capacity. This meanwhile gives steady employ-

ment to labor — employment for, say, three hundred rather than two hundred days in the year. This is equivalent to a fifty per cent increase in annual wages, without any change in wage rates.

- (3) The increased industrial activity which results from the increased demand arising in consequence of increased annual wages causes a still further stimulation of industry. It results specifically in a great extension of plant capacity, and an era of great activity in the building trades ensues.
- (4) These new building operations in turn call forth heavy demands for additional raw materials, factories, machines, etc.; and this in turn creates an additional demand for labor at good wages, and we reach a period of intense industrial prosperity.

The history of business prosperity thus reveals the close relationship between expanding consumption and expanding business. And it shows with remarkable clearness the interdependency of industry and consumption in the complicated economic system of the modern world.

With equal clarity the history of every business depression shows the close relationship of consumptive demand and business prosperity. When a halt has come, for reasons which we need not here discuss, laborers in certain important industries are discharged. Demand for the materials used in additional construction ceases. The decline in the indirect demand for labor through the cessation of new building operations plus the decline in consumptive demand occasioned by unemployment result very quickly in the discharge of still other laborers who had been engaged in producing goods to meet the demands which have now been curtailed. This discharge of other laborers in turn still further reduces the consumptive demand and this in its turn has its cumulative effect in throwing still other laborers

out of employment and more effectually stalling the entire industrial mechanism.<sup>1</sup> We stand at this moment at the very brink of such a succession of disastrous results.

**Conclusion.** In view of the established facts of our industrial experience and in view of the grave possibility of depression during the transitional era — indeed, I think one may say in view of the facts of the immediate situation, with industry everywhere hesitant, and unemployment already rapidly increasing — is it not perfectly plain that a comprehensive program of public works should be instituted just as soon as possible? If this Nation is not willing to heed the simple lessons of experience, and if we are not disposed to seize at once the opportunity to insure ourselves against the dangers of the transition period by establishing a perfectly feasible program of buffer employment on public works, we deserve to reap the whirlwind that surely waits for us. In view of the present social temper of the world we cannot afford to sit with folded hands and await the return of the troops with nothing but fine resolutions and good wishes to extend them. If, in our easy-going, optimistic American way, we neglect to provide for those who have so unreservedly offered themselves in the Nation's service the opportunity upon their return to earn the means of a self-reliant existence, we shall have sown the seeds of a social revolution in this country that may rock our democratic institutions to their foundations.

But we cannot make adequate preparations to meet the impending crisis without some sort of a Federal Board of Public Works. So far as the different Federal agencies interested in public works are concerned, there is at present

<sup>1</sup> For a remarkable analysis of the ebb and flow of business activity and the interacting causes at work the reader is referred to Wesley C. Mitchell's volume on *Business Cycles*. Note also the appendix for a constructive suggestion which should prove of permanent value in helping to lessen the fluctuations of trade and industry.

no coördination of effort whatever; the Government's right hand does not even know what its left hand is doing.

Under the circumstances it is utterly impossible to formulate a national policy with reference to public works. There is, moreover, no adequate agency for the dissemination of information to the various States bearing on the general industrial and general employment situation, and there is no direct means whereby any State in the Union may ascertain the developments that are taking place in other States. And there is, of course, no effective means of coördination between Federal and State activities. Nothing short of a Federal Board of Public Works will enable us to develop a constructive policy for meeting the problem of transition.

And may I not suggest on this occasion that such a board should become a permanent part of our governmental machinery? Periods of business depression recur with more or less regularity every eight or ten years. It is possible greatly to reduce the amount of unemployment at such times by making extraordinary outlays on public enterprises. Slack times in private industry should be made flush times in public enterprise. This would tend not only to minimize the volume of unemployment and distress; it would serve as well to shorten the duration of the depression itself. All that is necessary to make such a dovetailing of public and private enterprise practicable is to establish Federal, State, and municipal funds for emergency public works.

This is not the occasion for outlining the provisions of an emergency public works law or the principle which should guide a public works board if created. It must suffice to state that in my judgment such a board might well be modeled after the only similar board now in existence — that of the State of Pennsylvania of which Otto T. Mallery is secretary.

We know as a matter of course that we cannot permit

either our returning soldiers or war workers to starve; we know that the least we can do, if jobs are not available for all, is to open our charitable purses and extend them such alms as we may. We have the choice, therefore, of two methods of meeting the situation: (1) by providing employment on public works of enduring value; (2) by supporting by public charity an army of unemployed in non-productive idleness. The former is the way that will make for satisfied, self-reliant American citizenship; the latter is but a palliative — it prevents starvation, but it does not avoid ingratitude and bitterness of spirit, nor make for orderly social and economic life. The former is the socially efficient way, the way that conserves human resources and increases the productive capacity of the Nation; the latter is the socially wasteful and inefficient way — that makes for the degradation of the individual and the depletion of national productive power. Public charity is the way of the old era of ill-adjusted and unregulated industrial life; the public works is the way of a new era of economic and social efficiency. Which way shall we make the *American* way?



## XIV

### CAPITAL AND LABOR <sup>1</sup>

WILLIAM F. OGBURN

**Importance of the problems involved.** Among the reconstruction problems the relations of capital and labor will be most important, taking rank, according to the opinions of many, with the problem of international relations. Customary observation of the problem is usually at fault, first, because the magnitude of the issues are not realized, and, second, because the far-reaching fundamentals are obscured by surface indications.

The fundamentals of the problem concern the actual control or ownership of all the great productive industries. In earlier history, when land was the predominant productive source, great struggles were fought for the control and ownership of land. To-day the predominant method of production is the use of machines organized in great industries. These industries are owned by a group whose interests are designated as the interests of capital. Labor participates in the control or ownership of the machines of production only to a negligible degree. While the issue of the ownership of industries in the United States may not be now a real issue, there are signs to indicate that it is possible for it to become so. Whether this becomes an issue in a large way, or whether the issue will be spread out in installments over a long period, the relations of capital and labor cannot be understood, unless seen clearly against this background of the relationship to the control or ownership of the machines of production.

<sup>1</sup> This chapter was written in January, 1919.

A recognition of the fundamental basis of this relationship indicates the importance of the problem. But in addition the importance is seen when it is observed that power-driven machines are almost magical in their ability to produce wealth. Also when we think of the vast amount of production that goes on in the United States, the number of factories, the corporate wealth, the great number of wage-earners, we can see that capital and labor are as big as society itself, and their relations to production ramify throughout the whole of society.

**Nature of the relationship between capital and labor.** What is the nature of this relationship between capital and labor? Some have claimed that their interests are mutual, and hence their relations should be harmonious. This mutuality is claimed because both capital and labor are at bottom alike interested in production, which means that both are paid out of a product they jointly produce. And since production cannot take place without both machines and workers, their interests are said to be fundamentally one. In so far as this is true there is no problem. But they can quarrel over the division of the product and many other things. And the facts show that there has been conflict, leading to oppression, injustice, friction, unrest, strikes, or warfare. This conflict during the past industrial development of the United States has been largely over questions of wages, hours, working conditions, and unions of employees. The wages issue means the standard of living. Shorter hours are concerned chiefly with leisure and health. Conflicts over working conditions, such as sanitation, safety, and adjustments to methods of production, have usually been subsidiary to the other issues. The fight of the workers to organize means power to control wages, hours, working conditions, and oftentimes an entering wedge in a real control of the industry. Conflicts over the union issue have been the

bitterest. The employers have fought aggressively against the organization of unions and certain of their practices, which are claimed as inefficient and against fundamental right. The workmen, on the other hand, claim that they have been fighting for the right to organize and for the beginnings of industrial democracy.

**Causes of conflict — From a labor viewpoint.** In the preceding paragraph was set forth the relations of capital and labor in the recent past, as most commonly observed and described. Looking below this objective observation, it is seen that conflicts can only result from opposing wants or desires. So that to base an analysis on fundamentals, we should inquire quite boldly what each side wants. The trouble is that the wants are not always known, and at times not thoroughly in the consciousness of the parties concerned. Since human wants tend to be obscured, it is necessary to bare the issues, cutting away the obscuring features as much as possible. It is desirable, therefore, to try to classify the more or less obscured desires on the side of labor and on the side of capital. It can then be estimated how these various desires may be expected to develop during reconstruction, what conflicts may be expected and of what intensity.

The desires of labor may be classified into groups described as follows:

(a) There are workmen in industries whose wants, in so far as they affect capital, are chiefly expressed as *individual grievances*. These men seem fairly well contented with conditions and relations as they exist, at least so far as any conscious and open expression of opinion is made. They expect their wages to be raised at the will of the employer and as a reward of merit. If such a workman wants a higher wage or shorter hours, or has other grievances which he thinks the employer has neglected to adjust, such a workman goes as an

individual to present his grievance to some one in authority. If such a workman is ambitious, he expects success to come almost solely through hard work, promotion, and savings, rather than through changing conditions. If the promotion and accumulated savings do not result, this general pattern of procedure is not particularly questioned. There are some individuals with these desires in all parts of the country and in many of the industries. Their collection in groups is found chiefly in some of the industries in which there are no labor unions.

(b) Another body of workmen want *collective bargaining* through unions organized particularly along trade lines. By collective bargaining, by functioning as a group rather than as individuals, they can get higher wages, shorter hours, and better working conditions. But their desires, as expressed by this collective functioning, are moderate. "A fair day's wage for a fair day's work" has been used as their motto. Organization also serves to protect them against reduction in wages and other hostile forces. A very important aspect of the desires of this group is that they want to do things for themselves rather than have things done for them by some one in economic power, however benevolent he may be. These desires embody the germ of self-government in the economic field. Perhaps a majority of the members of the trade unions before the war had conscious desires of the sort just described.

(c) Out of the desires of the collective-bargaining group has come a body of wants stronger and broader. The expression of these wants calls for a greater *control* over industry and an increased *share* in the profits for the workmen. These desires are much like those of the more moderate trade unions and differ largely in degree. The difference in the degree and intensity of the wants calls for considerable change in organization and functioning. These desires, for

instance, can perhaps be obtained much better through organization of the workers by industries than by trades. Before the War, in the United States these desires were held by an aggressive minority of the rank and file of trade-union members, and also by scattered, self-conscious groups of unskilled workers. With these desires they want more power, more control, and more money, and they are less respectful of traditional procedure.

(d) A small number of workmen, among whom is a due measure of leadership, quite consciously want the workmen to *own the tools of production*, all the great modern industries, but they want this ownership to come about *through a process of evolution* rather than revolution. These are the aims of a good many socialists and of some coöperators. These groups want to get the big returns that go to those who own and control the machines. The methods of obtaining these results vary; but one point is common, they do not wish to destroy the social fabric or to produce chaos in attaining their aims. A widely known modern account of these aims is found in the program of the recently enlarged British Labor Party.

(e) The most extreme aims of workmen are to own the tools of production through their acquisition by *revolution*. The desire of this group is to take over the means of production either at once or as soon as they have the power to do so. They are willing to get them by almost any method that will bring results quickly, even at the cost of bringing social chaos. Their aim is the prompt destruction of the capitalists as a class, though not necessarily as human beings. Red is their symbol. The I.W.W. and some socialists have these aims. The Bolsheviki are good illustrations. The writings of Lenine and the constitution of the I.W.W. set forth this point of view.

**Causes of conflict — From a capitalist viewpoint.** Many

of the desires of capitalists are common to all employers. All employers and capitalists want to make money, want power and the control at least of their business or of their industry. They are usually content with the existing social order. They may be divided into two groups, although a great many subsidiary aims are common to each group, varying only in degree:

(a) The more *conservative employers* constitute one class. Such an employer and owner conceives of his business as essentially "my business." He is loath to admit its public nature, and he particularly resists the idea that the workmen should share in it. The reason for this feeling is partly this, that if the business fails the owners lose the money, therefore they must be free to wield power. These employers are strongly opposed to dealing with labor unions, and object to their own employees joining unions, on grounds of efficiency and right. They are jealous to a high degree of any force which tends to lessen their control and disposition of the profits, whether that force be the workmen, consumers, courts, or the legislature. This group is usually opposed to social insurance on grounds of individualism. Generally a minimum of welfare work is done by them. They feel the necessity of being free to hire and fire when and whom they please. To be masters is the desire of extremists of this group. A good many such capitalists are individualists, and are, at least, opposed at the present time to coördination or coöperation through the machinery of the State. Success in business and the accumulation of wealth is considered as the measure of ability, and their workmen as a class are often appraised by this standard.

(b) The other capitalist group has a body of desires which has been called by radicals the *new capitalism*. This group is differentiated from the conservative capitalists by the following marks: Many of the members of this group are

willing to do business with the unions, perhaps because they recognize the justice in the right of men to organize, or perhaps because they feel it is inevitable. These men provide for a good deal of welfare work in connection with their factories, involving considerable expenditure of money, and deal considerately with their men in a great many relationships. They are very much interested in efficiency and look at it from a somewhat broad, human point of view. They are hospitable toward scientific management, but feel that labor is the most important problem in production to-day, realizing efficiency to-day is increased through the good-will of the employees. Many of them provide employment managers, whose function it is to look after the interests of labor, within limits. They are to a certain extent willing to agree on shorter hours and even on higher wages, and want to pay to their lowest-paid workers at least a living wage. A considerable modification of the concept "my business" is made, and the justice of certain interests of the public and of the workmen in their business is realized. Social insurance is in general not opposed. In many cases the desirability, from the public point of view, of a measure of control over the industry is clearly seen, but any significant dislodgment of power from their hands is opposed. These men see industry in relation to society. They thus favor the associated activity of employers and many of them favor coöperation to the extent of utilizing the machinery of the State for the interests, not so much of a particular corporation, but of industries as a whole. For this reason some would probably not oppose governmental ownership of railroads, nor indeed of certain other industries. The importance of nationalization for the interests of industry as a whole is seen particularly in connection with foreign markets.

The foregoing presentation shows the new capitalism to

possess an attitude that might in a great many respects be called liberal. But it should be remembered that this group is just as fundamentally opposed to any significant lessening now of real control or ownership of industry, and because of their favorable attitude on developing associated activity among themselves and with the State, they are perhaps in the strongest position for effectively fighting the more radical demands of labor. The justice and morality of their position is also quite strongly fortified.<sup>1</sup>

“Unrest,” conditions producing it. The wants of labor and capital as just outlined are by no means clearly chiseled out and conscious in the minds of each individual. Such a social philosophy, indeed, is not always clearly thought out and conscious among the leaders. On the labor side when the wants are vague, the term “unrest” is not a bad descriptive term. This term may be applied to a situation where there is general dissatisfaction, but where the denied wants causing dissatisfaction are not clearly formulated, at least in their social significance. Certain situations of “unrest” are caused by a repression of instincts; that is, a denial of normal human activity due to hardships of one kind or another. Thus life in the lumber industry is sometimes so organized as to make family life impossible. Such a condition will produce unrest, which may express itself in a desire for an objective not at all associated with the cause of the unrest; as, for instance, the eight-hour day will be demanded.

Similarly on the side of capital the individual employer or owner of stocks and bonds does not have his wants formulated into a clear-cut social program. For those who have not thought out a program, their attitude in regard to relations with labor in society as well as industry may be spoken

<sup>1</sup> A most interesting exposition of an extreme point of view of this group is found in a collection of addresses by Lord Leverhulme under the title, “The Six-Hour Day.”



of as "traditional." The social order as it exists is assumed without thought, and its fundamental justice does not arise as a question. Formulæ regarding private property rights, individualism, success as a reward of merit, abundance of opportunity, and the like, have grown into an unquestioned, established system. Their desire is to leave things fundamentally as they are. It is chiefly among leaders that these desires crystallize into conscious programs.

The analysis of the preceding paragraphs shows the aims of labor and capital that work at cross-purposes or break out into acute conflict. It is well to remember that these aims may line up against each other in various combinations, producing a variegated struggle. Any prediction as to results should be made only after some such analysis as the foregoing.

**Factions in labor group and in capitalist group.** In the opening paragraph of this chapter it was pointed out that the magnitude of the forces of capital and labor is so great in society that the whole of society is affected and that the issue cannot be confined within the walls of the factory. This situation has produced a cleavage in both groups based on a difference of opinion as to the method of campaign. One section on each side would take the struggle out into society utilizing other social machinery, and the other group also on each side would confine the struggle to industry itself. On the side of labor those who urge this broader activity usually favor a political labor party. These advocates of political activity claim that certain conditions affecting labor, such as unemployment, high cost of living, taxation, immigration, the courts, war, etc., can best be handled through political activity. The labor opponents of this policy are of two kinds: those whose vision is short-sighted or narrow and who see chiefly the issues flowing immediately from the factories; those who see clearly the

large issues, but claim that political activity is to a large extent concerned with matters slightly subsidiary; or, rather, they insist on the necessity of focusing on the heart of the matter which lies in the control of industry through economic means. Political activity diverts the attention and weakens the fight on the real issue. Economic power is the real power. And it is also claimed that these outside so-called slightly subsidiary issues can, many of them, be effected better by direct economic action than by political action. Many of the guild socialists in England, whose program is set forth in the writings of G. H. D. Cole, are of this group.

On the side of capital the cleavage between those who favor the narrowly economic activity and those who favor larger social activity is about the same as the cleavage between the conservative capital group and the new capitalism, as described above.

**Effect of the War.** In the analysis of the foregoing paragraphs a perspective of the problem as existing before the War is briefly set forth. We may now ask what has been the effect of the War on the alignment? And what may be expected during reconstruction? What may we do during this period of readjustment to improve the situation?

Before answering these questions it is well to observe the psychological point previously hinted that the conscious program of aims is chiefly in the hands of leaders on each side, and that the mass or rank and file may contain potentialities in the matter of desire quite different from the representation of their existing status. The group of workmen whose dissatisfaction at the moment may be described by the term "unrest," and those employers whose status has been described as "traditional," both indicate that desires may become fluid. Those whose desires for the moment are of one class, may suddenly change and be-

come of another class, for example, in response to the menace of Bolshevism. The previous reference to leadership may mislead the reader in thinking that the leaders have the power of changing the desires of groups. But the activities of leadership are generally determined and limited by social conditions.

In these social conditions there may be noted three forces that in a general way keep these desires in a non-fluid condition. These are general cultural inertia, the balance of power, and the impracticability of the attainment of the desires. Culture in general tends to resist change, except for a few notable cases, such as those flowing from mechanical inventions. The War has broken most astoundingly the mass of cultural inertia existing prior to the War. It has shattered traditions and institutions unprecedentedly. Such a phenomenon must necessarily make the desires more fluid.

As long as there is a balance of power between two opposing forces there is considerably less change in the nature and strength of the forces than if the balance of power is disturbed. There was a sort of rough balance of power between capital and labor prior to the period of reconstruction; but as a result of the War there has been sufficiently great change in the forces of each side to necessitate the trying-out for, and determination of, a new balance of power.

Wants, except in the dream world, bear a certain relation to their attainability. Usually individuals do not want things unless there is a reasonable prospect of obtaining them. This principle has no doubt played a great part in determining the classifications of desires set forth in preceding paragraphs. A great stumbling-block to the more radical demands of labor has been concern over their practicability. But the War has done such big things, the seem-

ingly impossible has so often been achieved, that a new impetus has been given to demands. Many wants seem practicable now that were not so conceived before the War.

Each of these three situations plays a part in the relations of capital and labor. On the labor side, in a general way, this fluidity of desire would seem to shift the classes of desire somewhat. Some who have been content to adjust grievances individually will want collective bargaining; of those who favor collective bargaining a larger number will want a greater share in the control and profits of industry, and no doubt the number of those who want the ownership of industry, either by evolutionary or revolutionary procedure, will be increased. On the side of capital the conservative group will probably diminish and the new capitalists will be increased, and changed somewhat. Both groups of capital will become more tenacious in their desires as they affect fundamentals. And on the side of labor, at least, there is likely to be a growing tendency to produce industrial conflict. Just how far these shiftings may go cannot be measured accurately.

Special development — The labor side. It now seems desirable to check or supplement these general observations by a consideration of particular developments on each side, taking up labor first. Perhaps the reports of the Commission of Inquiry into Industrial Unrest in Great Britain, reprinted by the United States Bureau of Labor Statistics, although not for the United States, contains the best account of the effect of the War on the unrest of labor. Also *British Labor and the War*, by Gleason and Kellogg, contains a good account of the relations of capital and labor as affected by the War.

A point of very great importance has been the scarcity of labor and the imperative demand for it. This has resulted in rapid increases in money wages, particularly in

the iron and steel industries and in the manufacture of clothing. However, increase in money wages has little meaning unless measured in terms of increased cost of living. The cost of living has increased about seventy per cent for the workmen since 1914, and unless wages also increased seventy per cent there has been a lowering of the standard of living. The earnings in the building trades and in the printing trades have probably not increased as much as the cost of living. The rate of pay to common labor has increased just about as much as the cost of living. It is observed that the rise in the cost of living precedes rises in wages. This means temporary unrest at least, and in cases where earnings have increased as much or more, there is often added a sense of power; and where earnings have not increased as much as the cost of living, the spirit of unrest continues.

Another point of considerable importance is the fact that during the War the growth of labor unions has proceeded much more rapidly than in the previous decade. It has been quite noticeable in the iron and steel industries and the meat-packing industry. A beginning has been made in the cotton industry in the South. The street-railway unions have made gains. Gains have also been made in quite a number of other trades. The shipbuilding industry is in large part unionized. Considerable organization of common labor has taken place. This increased unionization has not come without effort and some fighting. The new members in the unions too are often the most radical element. This development has brought with it a sense of power and a more effective desire for unionization.

Bearing on the strength of the desires of labor is also the feeling that they have made sacrifices during the War, particularly refraining from strikes, their strongest economic weapon, for which they feel justified in expecting returns.

Although they have made gains during the War, they feel even greater gains could have been won if they had not surrendered the strike. There are also other sacrifices along lines of surrendering certain protective union practices, such as apprenticeship rules.

Just how much education or orientation in the general social problem has taken place is speculative. That there has been a considerable spread of knowledge on general social and economic issues is certain, although probably not as much as would be expected or as has occurred in Europe, where the War has been nearer and in progress longer. In America the workmen, during the War, have focused their attention a good deal on the pay envelope and the growth of the union. There has also been a censorship of the news. The spread of information on social questions probably gives encouragement to the shaping and formulation of the desires of labor. Such a process will probably go on as rapidly, or more so, during the period of readjustment after the War, largely because so many large issues other than wages and unions will come up for settlement.

Along with this spread of social information has come a sort of group self-consciousness, sometimes referred to as class-consciousness. Instrumental in developing and associated with this self-consciousness is the fact that labor has been feeling out its strength. Labor as a group, for instance, has been often told the part it has played in winning the War. A survey of these specific situations points in the direction of an increased impetus in the growth of the desires of labor and the sense of power of labor.

**Special developments — The capital side.** A factor of the very greatest importance for capital is the effect of the War on the distribution of wealth. That the wealth of our country was very unequally distributed before the War is well known. Has the War increased the inequality of dis-

tribution or lessened it? The point is important, because wealth means power, however it may be disguised. Unfortunately a sure categorical answer cannot be given because we have not the measurements. Of course real wealth has been destroyed during the War as well as created. The great increase has been in the monetary expression of wealth. There has unquestionably been a great deal of money made during the War. A list of the profits of many of the larger corporations shows it. And while many millions of war bonds have been taken by wage-earners, the greatest part of them have been subscribed by capital. While it would seem that the increase in the money made by capital has been such as to make the inequality in the distribution of wealth, with reference to labor, greater, it is observed that this shifting of wealth will go on through the period of reconstruction, and a large determining factor will be the methods of taxation adopted.

Another powerful effect of the War on capital has been the growth of coördinated effort, which is implied to a certain extent in the growth of what is called "nationalism." Capital has learned a great deal about the commonalty of its interests. And the corporation interests have learned something about the lesson of working together. It is true that all this has meant sacrifices and restraints, under which the chafing has been very great, and from which they are glad to be free. Nevertheless the coöperation of capital on a large scale has been considerably accentuated as a result of the War.

Associated with the nationalization of industry has grown a group- or class-consciousness. The forcing of so many social issues on the attention has meant the spread of new viewpoints and of information on social issues. A good deal of this information, while accentuating class-interests on certain fundamentals, as the control of wealth,

has probably had somewhat of a liberalizing influence in a number of groups in regard to a good many of the relations of capital to labor, such as shorter hours, unionization, and general human relationships.

The War has strengthened the insistence of capital on efficiency, despite the fact that there has been a good deal of inefficiency among War workers. The emphasis on productivity has determined this demand for efficiency and the competition between nations will keep it up. The development of efficiency in production is important in the factory relationship between capital and labor. Both sides have been at fault in the past in this regard, and both sides have their good points. If the workers insist upon practices, which in one way or another limit productivity, and if the employers try to get efficiency without giving labor a voice, there will be trouble. The effect of the War on capital has in some particulars had a certain liberalizing force as regards certain aspects of their relationship, but has probably developed class-interests along fundamental lines.

Questions left undecided. There are several War experiences whose influence on the relations of capital and labor is somewhat problematical. One such experience is the effect of warfare at the front on the mental attitude of the returning soldier. Some claim that he will be conservative, pointing to the experiences of other wars, and noting the effect of the routine army life on mental processes. Others claim that facing death and handling a gun and seeing the vast expenditures of money for purposes of killing, have made him daring, and he will not now hesitate to ask certain fundamental questions. It is not clear what tendency these influences will have, but it should be recalled that not a very large percentage of our adult males have been over there and not for a very long time.

Another question of doubtful answer is this: If in war-



time a sort of national unity and coöperation have existed between hitherto factional interests, may not this spirit of coöperation continue? The phenomenon of cultural inertia certainly furnishes a presumption in favor. It is generally true that when the conflict of two groups becomes acute, differences within each group are temporarily suspended. But when the intense conflict between the groups weakens, the cement within the groups weakens also, and the old differences reappear, since the conflict causes the cement, unless, of course, the causes producing the differences are removed; and it is these causes bearing on capital and labor that we are now investigating. In general one would guess that during the War the lesson of coöperation between capital and labor has not been learned very well.

It has also been argued that the purchase of Liberty bonds by the workers tends to develop in them a philosophy more akin to that held by the capitalist group. For instance, it is said they have learned how to save, which is a part of the formula of success as capital sees it. They also become a bond-holding group, and such a development may make them less revolutionary and more respectful of the private property structure of society as it exists. It must be admitted that there is some strength to this argument, for it is generally held that the allegiance of the middle class to the capitalist ideas is partly dependent upon the possession of small holdings of property or securities. While the tendency is admitted, it is decidedly questionable how strong it will be. There is, of course, some possibility that the exigencies of reconstruction, with particular reference to unemployment and of life in general for the man of small earnings, will soon wipe out such savings as have been put in Liberty bonds.

Another influence that is difficult to measure is the effect of revolution in eastern Europe, particularly Russia. What-

ever influence it may have will have a radical effect; it is not probable that the conservative forces could be so mobilized against it that the net result would be a greater conservatism than existed previously. The question would seem to be one of measuring the extent of its influence. That it will have some influence is certain, despite the fact that particular economic and social conditions in Russia may have caused it. It is, indeed, probable that some of these economic and social conditions exist in all the warring nations, at least to a certain, though perhaps minor, degree. Waves from the French Revolution and from the American Revolution extended far and wide. It is also true that radicals in America are unduly optimistic concerning its influence, while capital in spots seems to be unduly hysterical. Perhaps a more moderate estimate of its influence is nearer the truth, although one is not certain in predicting on this issue.

The effect of the growth of unions on the relations of labor and capital is also problematical, although it would seem that we have enough evidence from the past to make judgments. Organization into unions has in the past tended to eliminate a certain type of unrest, such as a sort of guerrilla warfare and rebellion that has cropped out in certain frontiers of industry. Chaos and nastiness in the relationship between capital and labor are most often found in the unorganized or partly organized areas. Recognized organization has meant considerable stabilization, at least under conditions that have existed in the past. It is in this sense that union organization is said to eliminate unrest. The employers, on the other hand, feel that unions oftentimes bring to them an unrest, with their continuous demands and adjustments and their control over some of the working conditions. Organization may mean a lessened unrest and a greater stabilization, but it also means a greater and more powerful fighting body. The element of uncertainty in the

relations of unions to capital lies in the present-day conditions. The nature of the unions themselves is changing, as for instance the growth of industrial unions in America and the growth of the shop steward movement in England. If unions become more radical their capacity for a powerful fight is great. The growth of unions has been continuous since their origin in all countries, and one feels that they are in some form or another inevitable. One feels that there will be struggle and effort until the workmen have some kind of organization. No doubt this has been a motive behind the Whitley reports in England (published in the United States by the Bureau of Industrial Research), which have devised very excellent practical plans for organizing the workers in all the industries. Appreciations of the likelihood of organization have been expressed in America by various employers, notably by Rockefeller, in the so-called "Rockefeller plan."

**New motives for adjustment.** So far we have been observing the forces that bear on the strength and organization of the desires of labor and capital, and we have been trying to estimate the probabilities of greater or less industrial conflict. As an additional point it should be noted that the very magnitude and acuteness of the issues before society for solution during readjustment act as stimuli to these desires, and encourage the organization of them. The issue of taxation is tremendously important. It means who shall pay for the War through the retirement of the bonds. Taxation is vastly greater than ever before. It has in it the elements of a redistribution of wealth. The problem of governmental ownership is equally great. Governmental ownership may be favored by capital if it is assured the control of the State, but opposed if a large share of the control of the State lies with labor. Similarly, international policies may make war or peace with all that each means for our country.

An issue of very great importance for labor is unemployment. Unemployment not only endangers the wage-scale and makes strike-breaking easy, but it is a grim terror to the man of family depending on his daily wage. The presence of such issues means a marshaling of the forces of each side. Evidence is abundant in the growth of the British Labor Party and the springing-up of local labor parties in various parts of the United States.

**Results that would be sociably desirable.** The question naturally follows, what can be done to make the relations between capital and labor more harmonious? There are unquestionably a number of courses of procedure that will alleviate some of the unrest. For instance, the wider institution in industries of what is called employment management will smooth out some of the unrest. Employment managers of recognized ability and considerable knowledge of labor can do a good deal toward lessening the friction incident to employment and conditions of work and life in the industry. The service of such a personnel manager is limited, however, probably by the fact that he is paid by the employer. Certain basic elements in the conflict between labor and capital will therefore hardly be touched by such a method, although many problems resulting in unrest can be thus solved.

If the "creative impulse" of the worker, or his interest in his work could be developed, or to put it another way, if the worker's egoism could find an outlet in his work, the relations between labor and capital would be much improved. A number of recent writers have held out hope of improvement along these lines. But successful experiments are rare. To be thoroughly successful, the stimulation of the "creative impulse," or the making the work interesting, is hardly enough, although this is immensely important. Thorough psychological analysis indicates also that the workmen

should also be interested selfishly in the financial return to the industry.

If the worker is not kept in good condition on the material and physiological side, there will be unrest. Employers are realizing this and are providing better material conditions of life for the workmen, an activity called "welfare work." The necessity of paying wages that provide a living in reasonable health and comfort for a man and family is also being recognized. These provisions help to remove the union phases of unrest.

Careful students also admit the necessity of providing some sort of organized method of getting the two parties together; otherwise there is certain to be bad relations. The machinery of the industrial councils provided for in the Whitley reports is designed as a necessary expedient. Similarly, the shop committees of employers and employees instituted in decisions of the National War Labor Board and the standardization plans of the War Labor Policies Board are planned to meet the same necessity. Perhaps this most important point may be summed up by saying that without organization and organized expression there is certain to be unrest and bad relationship. Organization of some kind is a necessary first step upon which the other programs depend, and without which they are likely to fail of full realization. It in general means stabilization. But that the conflict between capital and labor will be prevented by organization is, however, not at all certain.

Other factors of a somewhat broader social nature, bearing on the relations of capital and labor during reconstruction and possibly amenable to social control, are business prosperity and unemployment. Unemployment means unrest for labor, but it strengthens oftentimes the power of capital over labor. There are a number of means whereby unemployment can be lessened or prevented. The means most

discussed now are construction work of a public and private nature, farm colonies, and the use of the employment bureau system. The fluctuations of business prosperity and business depression have in the past not been subject very much to intelligent direction. Marked business prosperity would improve somewhat the social aspects of the relations of capital and labor, despite the fact that prosperity ushers in more strikes than does depression. The credit system has a good deal to do with the cycle of business, and it is subject to some conscious direction. The factors, however, are not sufficiently well known to make a prediction.

The analysis of the problem and the survey of the forces operating have been made. What will be the relationship between capital and labor during reconstruction? A categorical answer or an abbreviated summary with anything like definite meaning cannot be made. This chapter is in itself a summary, and anything shorter will be lacking in meaning. However, it may be stated that there are some forces operating to make the relations of capital and labor harmonious, but the forces leading in the other direction are more numerous and more powerful. In other words, it would seem that a good deal of trouble is in store. By considerable effort some phases of the trouble can be eliminated, but any escape from fairly serious industrial conflict seems impossible. What will be the result? It may be that capital will make a number of concessions in regard to some of the lesser demands of labor that otherwise would make for unrest. But that labor will make the big gains or overturn contemplated by the extreme wants of labor, seems improbable.

In closing, it is desirable to state that the subject is one shot through with emotion, and that it is much easier to form judgments based on prejudice than on reason, and that every writer is subject to the bias of his own prejudice.

**V**

**AFTER-WAR TRANSPORTATION PROBLEMS**

**FREDERICK A. CLEVELAND**

*Formerly Chairman of President Taft's Commission  
on Economy and Efficiency*

**ROBERT C. HARGREAVES**

*Secretary of the Motor-Transport Committee of the  
Council of National Defense*

**WILLIAM E. LINGELBACH**

*Professor of History in the University of Pennsylvania*



## XV

# OUR TRANSPORTATION SYSTEM — ELEMENTS IN RECONSTRUCTION

### AN INTRODUCTORY NOTE BY THE EDITORS

AMONG the lasting benefits which we as a nation have derived from the War, is a better appreciation of the need for developing all parts of our transportation system, railroad, canal, electric, and wagon roads, as a common utility. In the days when the country was recovering from "wild-cat" finance, before the middle of the last century, we decided to put one part of this system, the railroads, under private ownership and management. Since then public ownership has found expression in a few localities. The city of Cincinnati, for example, built a railroad (the Cincinnati Southern) and still owns it; and it has proved a self-sustaining property with a large surplus, after paying all expenses, fixed charges, and sinking-fund requirements. But the mind of the average American is hard-set against such a handling of the railroads. The American mind is hard-set against public ownership and operation, not alone because of the financial difficulties entailed, but because under our peculiar system of irresponsible government any proposal to enlarge public enterprise is open to suspicion that it will become the means of fastening on us more firmly a form of political control based on "patronage," and a distribution of funds clandestinely abstracted from the public treasury by processes which have come to bear the name of "pork."

War conditions, however, brought with them a need for

mobilization. And this need for mobilization forced us to set aside all prejudice which stood in the way of the fullest use of transportation facilities. The Government, therefore, took over the railroads, and now it is the insistent opinion both of railroad managers and of their financial backers that they should not be turned back into the hands of the private companies (which to them means that they should not be turned back into their own hands) unless the governmental restrictions under which they had been operating before the War are relaxed.

The case of the manager and his financial backer is this: to construct and equip the railroads with the terminal and collateral facilities needed to meet the fast growing demands for movement of freight and passengers, requires a constantly increasing capital. Capital can be obtained, under private management, only by appealing to investors. To obtain capital from investors, the railroad manager and his backers must make railway securities attractive both in the security offered and in regularity of promised return. Under conditions existing before the War, these two requirements could not be met. Therefore, the railroad managers and their backers could not obtain the funds needed; and the roads, while handling an enormous business, were threatened with bankruptcy. And now they don't want the roads back on their hands unless conditions are changed; which to them means less Government control and more financial support.

But railroad managers and bankers are not the only parties in interest to be considered. The railroad, as has been said, is only a part of a great system of highways. The 300,000 miles of railroads are the veins and arteries; the 3,000,000 miles of canals, electric, and wagon roads are the capillaries; these, together with terminal facilities at distribution centers, make up a common facility of movement

and communication on which all our economic and social life depends.

The railroads as part of this great system, for reasons which need not be gone into here, have been made the subject of incorporation as the private businesses of some two thousand companies. This fact, however, does not in any manner change their public character. It only adds to the number of groups or parties in interest. Instead of having two groups or parties in interest, as would have been the case had the railroads been developed under public ownership and management, like the wagon roads, there are six: namely, (1) a group made up of private managers with their financial backers, usually bankers; (2) investors, or those who look to security; (3) speculators, or those who live on market fluctuations based on insecurity; (4) employees, or those who depend for their livelihood and for the up-keep of their families on wages paid for service rendered to the corporations directed and controlled by the managers and their backers; (5) the users of the railroads — those who obtain from the companies transportation service and “pay the freight”; (6) the Government, as the corporate organ of the people as a whole, which stands for “justice” as well as being a guarantor of “service.”

Under private management and operation, the corporation takes the place of the Government in furnishing this link of the system, and the Government stands over and between the various conflicting interests as regulator and arbitrator of disputes — the Interstate Commerce Commission, and the several State commissions, being the chief instruments through which it works. By this arrangement the representatives of each group have a right to ask the Government at any time to step in for their protection. Usually, the “investor,” the “employee,” and the “user” have been the ones that have appealed to the Government

for aid; and usually they have had good cause for asking the Government to step in to protect them against the arbitrary acts of the "manager," the "banker," and the "speculator." Responding to these appeals, the Government, while representing the welfare of the Nation as a whole, has attempted to make regulations which, for the benefit of the user, insisted that it was the duty of the railroad companies to provide "safe, adequate, and efficient transportation at the lowest cost consistent with that service." At the same time it has recognized the justice of the claims of employees for rates of pay or wages high enough to provide their own up-keep and the maintenance of their families with due regard to existing social standards; and it has likewise recognized the justice of the investors' demand for security and a reasonable rate of return on capital contributed.

As a practical matter every controversy between groups which came before the Government for arbitration, and every situation which developed and which has required the Government to step in and impose new regulations, has had to be resolved into terms of "service" and "rates," because the railroad transportation business was set up and operated on a private basis; because the user was entitled to "safe and adequate facilities"; because the company was entitled to make a charge which under good management would cover cost, including wages, interest, dividends, and the other just claims. This was the essence of the arrangement as between the public and the company. But any question with respect to the reasonableness of the rates always brought out conflicting claims of each and every class. The cost of the service was not alone a matter of cost of materials, which might lead into questionable methods of purchase on the part of the managers; cost was also made up of wages of employees, salaries of managers, commissions of bankers,

interest and dividends to investors; cost also led into various speculative transactions, and the questionable proceedings, which amounted to little less than conspiracy against the public, not only permitted, but actually connived at by managers and their backers. On occasion great fortunes had been taken out of the capital of companies or the pockets of the people, and to cover up these amounts so abstracted they had been represented as capital in the business. When considering the reasonableness of rates users have objected to continuing this fiction. When increases in wages were asked for by employees and they were told by the managers that the companies could not afford to pay higher wages without charging higher rates for service, the employees joined with the users in questioning the justice of these spurious obligations held by speculators or purchasers who had bought with full knowledge of financial practices intended to deceive. When any question of relative rights was to be resolved in terms of justice, the questionable practices of managers and speculators always came to the front; and the user of the highway urged that in justice such claims as were based on these practices should not be recognized — with which claim the Government as the dispenser of justice agreed. This very process of just determination of relative rights and claims was the condition which finally operated to make futile the efforts of managers and their financial backers to obtain new capital. When the hand of Government regulation was laid on the manager, with a view to eliminating unjust claims to income, then the investor was required to think twice before he bought; and until a full understanding was reached as to what were the rights of investors as against the wrongs which had been perpetrated on the public, both the questions of security and of the regularity of income were matters to give pause.

There is still another angle of approach that cannot be

overlooked. The problem of transportation is only a part of the problem of industrial organization. The old basis of organization for the conduct of business enterprise, as well as for thinking about relations of Government, was being questioned — it was challenged by great national leaders like Mr. Bryan, Mr. Roosevelt, and Mr. Wilson with being plutocratic. Various proposals for change in existing institutions were being urged before the War. Now no one questions the need for change, but there is grave question in the minds of men as to what change should be made — what present-day adjustments are necessary to reconcile ideals of democracy with the essentials of national prosperity.

As indicative of the out-working of group opinion in reconstruction proposals the following types of plans may be noted:

(1) The Warburg Plan — clearly a proposal which speaks for the continuation of “capitalistic” control; it appeals to the support of the investor by proposing that the Government guarantee his investment both as to principle and as to regularity of return; it appeals to employees by proposing to take their representative into the board of managers; it appeals to the manager and his financial backers by proposing to leave the direction and control of the road in their hands; it appeals to the speculator by making the value of “stocks” depend on the acumen or success of management, therefore injecting an element of fluctuation and risk which will make an active market.

(2) The plan proposed by the representatives of the “unions” as reported is clearly anti-capitalistic. It follows an idea of organization which has come to bear the stamp of “syndicalism.” The proposal is that the employees of all the railroad companies, or as the management now stands, the employees of the Railroad Administration be incorpo-

rated as the members of one company which is to own and operate the railroad as a single public utility — the capital to be furnished by the Government as in the case of the Warburg Plan. It offers as its justification and basis of appeal the preachment that it is in harmony with the underlying principles of democracy; that because of this fact it would make for permanent industrial peace and prosperity. The Government, it is urged, would thereby become the agency for reconciling group opinion and for administering justice consistent with the interests of groups controlled from the bottom instead of being controlled from the top.

(3) A third proposal is to incorporate the railroads as a State enterprise in which the Government would own and hold all of the stock — giving to the enterprise a separate board of trustees with a view to having on it representatives of the various interests to be conserved and of making it independent through incorporation, thereby keeping the management “out of politics.” This is one kind of proposal which aligns itself with the social or political philosophy which in contradistinction is called “stateism” as opposed to “capitalism” and “syndicalism.”

As one proposal after another is gone into, it will be found to be premised on active social or political propaganda that is pressing for recognition or adoption. In each it will be found that each proponent seeks to obtain support for his hobby by appeal to the self-interest of other groups. It would be clearly outside the purposes of this volume to attempt to analyze each of the various proposals for railroad readjustment and to appraise its merits and demerits. This would require a volume in itself. It has been thought desirable and useful to include in this collection of essays on reconstruction problems, the views expressed by the Interstate Commerce Commission, based on the assumption that

private or "capitalistic" control will continue with modifications to meet new requirements — a condition upon which depends the existence of both State and Federal commissions and for which they have been seeking to find an acceptable adjustment.



## XVI

### MILITARY MOTOR TRANSPORT — ITS LESSONS FOR PEACE

FREDERICK A. CLEVELAND

**A demonstration of efficiency.** When a commanding officer fresh from the battle-front was asked what it was that gave to the Allies their advantage in recent successes, his answer was, "Motor transport — motorized equipment — is the thing which stands out largest in my mind."

Motorized equipment has almost beyond conception revolutionized warfare, and it promises in the same degree to revolutionize industry. Why did the returning officer assign first importance to motor transport? Here is his reason: "In as many years it has given to the world three new fighting arms and thrown all its old tactics into the discard. The surprising thing about it is that in the use of all three of these new arms, the Allies have become the master. Scout-plane and battle-plane have given them command of the air — have made it possible to put out the eyes of the Great General Staff of the German Army. Fleets of land-battleships (the tanks) have enabled them to master the machine gun. With the tanks they have been able to go forward in a perfect hailstorm of missiles and clear the way for the infantry, in fact at times to bring the cavalry into effective use, without too great human sacrifice. Thus the small arms move ahead and make it possible to bring up the heavy artillery. But for shifting vast bodies of troops, for unifying the movements of armies of six nations and making them effective as a striking force under a single commander,

at the same time keeping all sectors supplied with the munitions of war, and for giving mobility to maneuver we must take off our hats to our new Motor Transport Corps."

At the Motor Transport Central Office the question was asked as to why it was that the gas-driven truck had not been taken up sooner, when it had long been in successful commercial use:

In the past the motor truck has been confined largely to urban use. Applying it to the uses of war conditions were very different. Everything had to be tried out. War made motorization a necessity. Men don't turn to new things without a reason. When we went into it the Germans had everything in their favor; a short haul by rail, and, after they got settled in the trenches in northern France, they soon developed a complete network of narrow gauge beyond the rail heads — the de Cauville system, named, as if by the irony of fate, from a French inventor. In actual practice, however, the motor truck had been found the more serviceable. It was the motor truck that made it possible to concentrate troops, ammunition, and supplies sufficient to stop the Germans at Verdun. When German aviators destroyed railroad facilities, General Joffre called motor trucks into service to replace the wrecked trains, which they did with success. In attacking along the Marne recently the Americans were supported by machine guns mounted on trucks and even passenger cars were used to sweep the enemy lines with a storm of fire. Trucks were used intensively to bring up the reserves to points on the line where reinforcements were needed.

**Delay in adapting motorization.** When war was declared the British was the only army which had a motor transport service, and that was a small, crude affair as compared with what we have now. Gradually, the Allies motorized — more fully than did Germany, for she loaded rubber and also other supplies for which it is hard to find substitutes. Germany stuck close to her narrow gauge — made and laid in sections adapting it to be taken up and put down quickly as the shifting fortunes of war required. France had her narrow-gauge equipment, too. But with her fine roads she soon

copied the British system and improved it. Then the British in turn copied the French improvements.

When Pershing was sent to the Mexican border we had not to exceed a dozen motor trucks in the whole Army. We still had our old horse-drawn transports and combat wagons, with pack-mules for vanguard accessories where there were no roads or only trails. But in preparation for the Villa expedition some four thousand motor trucks and cars were hastily picked up. Officers jumped out and grabbed motor equipment wherever they could be found — cars not built for army use, but for hard, well-paved streets. This miscellaneous assortment of trucks was just as hastily manned. Many of the drivers did n't even know how to shift the gears. Those in command knew that they had to have repair shops to make the service a success, but these had first to be built and equipped. Inadequate provision was made for spare and repair parts. But when the order came to go forward they went — two hundred miles they moved, part of the way without roads, into the Mexican desert. Partly because the cars had not been built for military use, and partly because of inexperience, springs were broken; frames were bent; engines were boiled over and burned out; ignition systems went wrong. Cars were strewn along the way, or were left by the hundreds in parks for repair. And when the hunt for Villa was over, and the troops returned to the border, fully two thousand cars were out of commission. But we had gained in experience. We had learned that the motor truck was a superior form of transport; and we had learned the need for special organization and training to make it serviceable.

A little more than a month after Pershing returned to the border, war was declared on Germany. Then with the decision to send troops overseas we were confronted with a condition that forced us to adopt motorized equipment for

transport. The "U" boat had destroyed millions of ocean tonnage. With railroads and terminals congested, and the demand for tonnage far exceeding supply, these cold facts stared the General Staff in the face: To send a horse overseas it takes four hundred cubic feet of cargo space, equal to four tons dead weight capacity; to haul a five-ton truck at the front eight horses would be needed: that is, to ship the horses thirty-two hundred cubic feet of cargo space would be required, whereas it takes only two hundred and sixty-two cubic feet for a three- or five-ton motor truck boxed ready for shipment, with its sixty to eighty horse-power inside the box. But this is not all. There is still the horse-drawn vehicle which would require nearly as much space as the motor truck and a reserve stock of three months' feed if the horses are sent. The three months' forage requirement for eight horses would amount to twenty-six hundred cubic feet cargo capacity as against one hundred and thirty-six cubic feet for gasoline and lubricants for the truck. Therefore, if we did not abandon our old army transport and combat wagon equipment the extra tonnage requirement would be so great as practically to cut down our overseas shipment of troops to one half what it might be by adopting motorized equipment.

**Necessity compels adoption.** There was only one way out — to motorize. And this decision proved an important factor, if not the turning point of the war. For aside from the surprising results achieved in getting our men and fighting equipment over in time to help stem the tide of German invasion when it threatened to sweep on to Paris, there was a constantly increasing mobility given to maneuver and supply that stands out as one of the conspicuous achievements of those latter days of the struggle.

But the decision to motorize was not all there was to motorization. For as before said our four thousand cars and

trucks pressed into the Mexican campaign were largely unfit. Besides every inch of cargo space was needed. The first thing to do, therefore, was to get foreign makes wherever they could be had. This we did as is shown by the following excerpt from an alphabetically arranged report on cars in service abroad as of June 1, 1918:

Barre —	1 light delivery truck.
Bayard —	2 passenger cars.
Benz —	1 passenger car.
Berliet —	6 passenger cars.
	2 one-and-a-half-ton trucks.
	1 three-ton truck.
	1 five-ton truck.
	1 ambulance.
Bharon Fond —	1 trailer.
Ballele —	8 passenger cars.
Brazzier —	2 passenger cars.
	11 light delivery trucks.
Brill —	10 trailers.
Brises —	10 passenger cars.
Buick —	10 passenger cars.
	1 light truck.
Burford —	2 one-and-a-half-ton trucks.

This report showed that there were 20,353 trucks and cars in use overseas and these were of about one hundred and fifty different makes. One of the principal problems of the successful management of a motor transport service is upkeep. While some parts wear out quickly and other parts may last as long as the car, it is necessary to carry a full complement of spare and repair parts, or in case of a break to go to the trouble of making new ones in the repair shop.

There are from a thousand to fifteen hundred parts in each car. Successfully to operate one hundred and fifty different makes, therefore, would require that the central depot carry from 150,000 to 225,000 different kinds of spare parts, and that every repair shop and station in the service carry a

working complement of the spare and repair parts most largely used. But this was not the only objection to such a miscellaneous lot of cars. To be most effective the cars, drivers, and mechanics must be interchangeable and the drivers and mechanics would have to learn one hundred and fifty different cars. A third objection has already been mentioned in passing — that the cars were built for commercial use and many of them were ill-adapted to the requirements of military service.

Those in authority did n't have to think twice about this situation. Two decisions were made:

- (1) To standardize all motor transport equipment — trucks, cars, motor-cycles, and bicycles.
- (2) To secure all supplies immediately required by the military program without waiting for standardization.

They did not make the mistake of certain other services — require production and purchase to wait till their drawings were worked out and models and tests were made for the new standardized equipment. But they did do this, they reduced their purchases to as few makes as possible. Just as soon as specifications and proposals could be prepared and bids obtained, they let contracts for sixteen thousand trucks of four or five good makes that had given satisfaction. The result was that no one was held up. They did this knowing that it was not the best final thing, but that it was the best possible makeshift while standardization was in progress.

**Government plans protested.** And thereby hangs a tale. Not that standardization of the transport service was a new idea. This had been the understood military practice for years: the old horse-drawn transport was standardized; the combat wagon was standardized; the Government mule was standardized; harness, saddles, blankets, everything pertaining to the movement of supplies and men in the field

were standardized, and no one raised a question. But when the proposal was made to standardize motor equipment, new and strong interests appeared. But they appeared in two camps. The old-line auto makers; and the special parts and assembled car makers. Following the good old and much-lauded practice of competition, each manufacturer wanted all the business that he could get, and each old-line maker wanted to push his car. If cars were not standardized the chances were that some of them would get large contracts. But if the program of standardization went through, none of the old-line commercial cars would be used, and the makers of standard parts would gain an advantage. Thus a very active controversy was started in the auto trade which found means of expression at Washington, while the plans and models for a standard equipment were being perfected.

With the War upon us this was serious business. As matters then stood not a point of military advantage could be wasted. The General Staff was the one to settle all questions of standardization of military equipment without regard to pride of authorship in planning bureaus or profits to individuals and companies. A Vehicle Board was appointed to review plans, study models, and make tests, having in mind the military purpose for which the vehicles were to be used.

**Decisions.** The Vehicle Board finally came to these conclusions: They decided in favor of the standardized 3-5 ton truck and large orders at once were placed. For the ton-and-a-half truck one of the old-line makes (the White) so nearly met the requirements that, with a few changes in specifications, this was adopted for the time being as standard — but with this understanding that not less than three factories would be tooled-up to produce this line. The G.M.C. three-fourths-ton truck (an assembled vehicle) was adopted for the light work. They built their own engine, but in most

respects it was a standard-parts-job. This left only the four-wheel-drive truck to be dealt with. For this a complete new design was approved, with promise of early delivery to replace the commercial cars bought as a means of getting started.

The Motor Transport Corps did not get out a set of standard designs for passenger cars. The difference between the demands made on passenger cars in military use and the service requirements in commercial use was so small that it was decided to utilize existing production equipment. After making tests, the following makes of stock cars were adopted as standard:

The Cadillac (open and closed) for the use of higher officers.

The Dodge (open and closed) for officers of lower rank.

The Ford (touring) for non-coms, messengers, inspectors, etc.

The human equipment. So far we have dealt with the mechanics of transport and supply. Let us now turn for a moment to the human equation — to matters of organization as applied to operation. Beginning with a few officers and men in the Quartermaster's Department, the Motor Transport Corps took its place alongside of the Engineer Corps, the Medical Corps, the Aircraft, and various other independent service corps of the Army. For General Pershing's first army of approximately a million men, 4298 officers, 30,090 non-coms and 120,359 privates were the estimated requirements of the Motor Transport Corps, besides 679 officers and 3122 non-coms and privates at headquarters and in executive and office work.

Each operating company was organized to handle twenty-seven cargo-carrying trucks, a repair truck, a rolling kitchen, a passenger car, and a motor-cycle. For an army of a million men, about fifteen hundred motor transport companies would be needed to operate the 40,800 trucks, with the cars,



motor-cycles, and other vehicular equipment operated by the Motor Transport Corps, besides the vehicular equipment under the direct control of the fighting organizations themselves. But that is not all there was to the motor transport field service. The reception parks, schools, organization parks, replacement parks, service parks, overhaul parks, reconstruction parks, main supply depots, supply depots, garages, and reserve groups and detachments, must all be taken into account. It was estimated that 273 service parks alone would be needed for near-the-front-minor-repairs, in which there should be 34,319 men. Some of the overhaul and reconstruction parks would need as many as 1500 men each to keep up with the demands for major repairs and rebuilding broken-down equipment. Completely to motorize our new great army according to the enlarged military program would have required a personnel in the Motor Transport Corps alone from three to five times as large as all the military forces engaged in the Spanish-American War.

But these are statistics which speak in terms of size. The layman is not so much interested in machines and schemes of organization as he is in movement. Now let's translate the Motor Transport Service into action. We get some vision of the difficulties overcome from experiences of travel in this country at the time. When we went to a ticket office we stood in line for half an hour to buy a ticket. We tried to get a sleeper and found every berth sold. We were held up *en route* to let train after train of war materials pass by. We waited for an hour to get through a train yard. We got to the terminal and found miles of platforms and temporary warehouses piled high. Trucks loading and unloading, men hustling boxes, barrels, and bales. Such was the condition three thousand miles from the front where all these armed troops and war materials are going. A thou-

sand places, each equally congested, were pouring their cargoes into the theater of war. Within the constricted area, where all these lines converge, with transport facilities bombed by aircraft, with distribution centers shelled by long-range guns, and plans upset by maneuvers, the imagination fails in its ability to picture the congestion of traffic and the conditions which made for confusion.

**Organization for service.** It was in such circumstances as these that genius shines out. In the midst of all this turmoil the Motor Transport Service moved and did its work with an order and an economy of resources that gives one a renewed hope for the possibilities of common roads as carriers. Here on a main thoroughfare might have been found an army division moving to a new sector. It was picked up bag and baggage by the Motor Transport Corps — men, horses, munitions, subsistence, clothing, all moving together. The transports were divided into Motor Transport Corps companies, — nine cars to a section, three sections or twenty-seven cars to a company. Each company with its repair truck, its rolling kitchen, its Ford or Dodge, and a motor-cycle for officer or truck-repair boss. The trains of transports which were carrying troops and materials forward were running close to the right side of the road. On the left side and going in the opposite direction were other companies and trains. Coming back empty? No! Few of them were empty. They were loaded with passengers, including perhaps the wounded, and cargoes made up perhaps in no small measure of empty shell cases, and the waste of war for reclamation. Here on each side of each highway were the main tracks of the Motor Transport Service. The center of the road was used for “by-passing.”

It took planning; it took organization; it required the development of a new technique. All the vehicles on each roadside traveled at the same rate. No matter what they

were they were required to keep the pace, or if they were disabled, they were shoved over the side out of the way. When an officer was in a hurry, or some one was running independently who needed to pass, he got into a space between two of the moving sections and watched his chance. The driver looked ahead through the clouds of dust and if the middle was clear he made a dive. He kept going till he saw some one ahead coming toward him. He then turned into an open space on the right side between two moving sections and again went along with the train till he had a chance to take another dive.

Back of the trucks in use were two "Establishments" in the Service, namely, the "M.T.S. School," and the "M.T.S. Organization Park." The manual of instructions, modestly called "Advance Notes on the Motor Transport Service, A.E.F.," contained this brief statement:

*M.T.S. Organization Parks* — These organizations receive the personnel from schools, casual camps, hospitals and from various sources. . . . In this park, vehicles and personnel are organized and equipped for service and held in readiness for assignment.

*M.T.S. Schools* — These organizations receive personnel by assignment from casual camps, base ports, hospitals and various sources. . . . At these institutions the students are trained by a corps of instructors maintained for that purpose, examined and classified, and normally forwarded to designated organization parks, according to the requirements indicated by the latter.

Profiting from our Mexican experience and having in mind the necessities of a technical branch that was brought into being almost overnight, schooling really began "at home." One of the regular establishments started at Camp Johnson was a school, designed to accommodate twenty-five hundred, for motor transport drivers, technicians, and officers. There they not only gave instructions how to handle cars, but they mapped out a section of country for purposes of training,

with roads and places, giving them French names. Drivers were given three weeks' intensive training and non-coms were given six weeks. This could n't do the work and arrangements were made for technical training in repair work in various auto and shop centers. Educational institutions having facilities for technical training were pressed into service, and the Director of Special Training, of the Committee on Education and Special Training, was asked to keep these mills grinding a grist of several thousand a month. After the short school course or the shop course, those who made the best showing were picked out for Camp Johnson, which became an officers' training school, and the men who were picked for drivers, or mechanics were put on trucks at some point in the West like Chicago, Detroit, or Cleveland, and were required to take a load cross-country, as a member of a company, to a designated point of embarkation where cargo, drivers, mechanics, and officers in charge were put on an ocean transport bound for the A.E.F. Then after debarkation they entered the M.T.S. Schools as students coming from the "base ports." By the time they got through the A.E.F. Schools, therefore, they were trained men — trained both as drivers and mechanics. And the discipline was absolute.

The evident need for discipline led us back to the French system of control over the Motor Transport Service and with this of control over all the roads in a military area. Wherever military control was extended, one of the first things is to make a careful survey of the roads with maps. Using prescribed symbols, the roads regarded as suitable for trucks were shown as "Route nationale" (R.N. 10), "Route nationale, paved," "Route départementale," "Route départementale, paved," "Route de grande communication." Those not suitable for trucks were shown as "Route de 6<sup>me</sup> carrossable" (wagon-road), "Route

douteuse" (doubtful), and "Sentier" (paths). The maps also showed the lakes, ponds, springs, wells, farms, mansions, factories, forges, foundries, mills, railroads, stations, terminals, crossings (over), crossings (under), crossings on the level, large rivers, small rivers, brooks, everything which might be serviceable or useful to the Motor Transport Corps. Then the roads were divided into two classes, those which were to be under Motor Transportation Corps control and those the control of which was to be left to local commanding officers. This done, all the roads under the Motor Transport Corps were organized by the districts and sections like a great system of railroads. They were shown on the Service maps as of three classes:

- 1st Class — ("Route *garde*") for no traffic except truck and auto. These are under constant patrol by traffic police and are selected for speed and quick mobilization.
- 2d. Class — Selected for slow moving trucks, well paved, with strong bridges for heavy traffic.
- 3d Class — For mixed traffic, animal-drawn vehicles and autos.

**In action.** District headquarters were set up, telephones were installed, and at each headquarters there was a chart kept, designed to show the movement of traffic on each of these roads. As soon as a vehicle or train came into a district, this fact was wired in and noted on the proper chart. Thus everything moving was kept before the eye of the M.T.C. officer who performed the function of a train dispatcher. When anything went wrong a red flag went up and the needed orders were given to clear the way and keep the traffic moving. Along the road, in addition to the service parks there were also repair crews. Near the front if a shell-hole suddenly yawned in the middle of the road Chinese or Senegambian laborers might appear from a hidden dugout with baskets and tools and with back-loads of stones and

dirt or sand, the crater was filled, a new surface was made, and the traffic moved on. When a train arrived at point of destination, they did n't unload and go back empty, but the officer in charge reported for orders and was assigned to another cargo, or the train might have been broken up and sent to organizations where needed. This is the system that the A.E.F. found all worked up, and in operation.

**Transition to peace conditions.** So far, this has been a story of accomplishment in the utilization of common highways for military purposes. The point of it is this: that through the necessities of war and the inventive genius of mankind in meeting them, possibilities have been opened to the application of the experience thus gained which stagger the imagination. One of the demands of the returning soldier is for an opportunity to make for himself and his family a home in the country — to settle down on the land. And those who have the affairs of our Government in hand know that on the further development of our agricultural resources, more than on anything else the prosperity of the Nation depends. On the one hand is the man seeking a home and an independent livelihood; on the other hand is fully half of the rich agricultural resources of the country unimproved, or only in part utilized.

The old way was to leave all this to private initiative. But the Nation has seen a new light. The lands which could be readily appropriated and reduced from a state of nature to a condition such as to yield profitable return have long since been taken up and tens of thousands have gone to Canada, where the picking is better. Some years past Congress provided that a certain percentage of the proceeds of land sales should go into a revolving-capital fund for the development of irrigation projects in the arid or semi-arid West. During the last year bills passed providing for the appropriation by Congress of \$200,000,000 to put unim-

proved lands in a condition such that they may be successfully operated as farms by the returning soldier. What we have largely overlooked is this: That new and large opportunity is all around us. Seventy-five per cent of all New England is still to be reclaimed or returned to profitable production. By what means? The chief factor in this reclamation is highway transportation. Not that there are no highways — many tracts have the best of roads; but it means that the cost of transport over wagon roads is so great as to stand in the way of profitable utilization of the resources of the soil.

**Motor transport a prime rural need.** The instrument at hand for the reclamation of agricultural resources of the United States is motor transport. If existing farm communities were provided with motor facilities for drayage, this would be the means of adding billions to the annual income and in the years to come would give profitable employment to added millions of people, besides doubling or trebling the base of food-supply, with corresponding increase in national wealth. This is the problem of agricultural reconstruction as related to individual and national opportunities, and as related to the need for motorization of highways.

**Financial inducement to capitalization of Motorized Transport Service.** The same economic basis and financial inducement is present for the development of an efficient motor transport service over the nearly three million miles of existing American highways and as feeders to the nearly three hundred thousand miles of existing railroads, that was present one hundred years ago for the promotion and capitalization of transportation improvement. A statement of the case made for that time is as follows:

A vast wilderness with only a fringe of civilization, a continent almost unexplored, was the America of 1790. The frontiersman

was still to be found in the small clearings of Maine, New Hampshire, and Vermont. Fully two thirds of New York and Pennsylvania were yet unclaimed — a common hunting-ground. In this situation was found the extraordinary inducement, the "bonus" held out to investors in any schemes of transportation which would make the inland resources available. . . .

The financial inducement to transportation improvement was of two kinds: the saving which it would make within the territory already developed; and the interior resources which might be reclaimed beyond the reach of the system supplanted. By way of illustration of the relative advantages of the various kinds of road equipment, let us take a town as a center. Assuming all the land round about equally adapted to yielding a crop of oats, which might be marketed at ten dollars an acre on delivery at this trade center: Over an ordinary horse path or trail a horse may carry about two hundred pounds; on a cart, over a good dirt road, the same horse may draw one thousand pounds; on a turnpike of macadam bed, about two thousand pounds. From this statement of the case, the relative advantage to the producer of the better road is apparent. If a pack horse could move the product of two acres a mile a day at a cost of two dollars, then the net return would be nine dollars from each acre one mile from the trade center, eight dollars from each acre two miles distant, etc., until the ten-mile limit had been reached, when the cost of transportation would consume the entire selling price of the product, and render movement an economic impossibility. In fact, cultivation would stop before this point was reached, owing to the cost of producing and marketing the crop. Under exactly the same conditions of production, above assumed, it would cost only one fifth as much to get to market over a dirt road. The result would be that over one million dollars annually would be saved to this small community in decreased cost of transportation within a radius of ten miles. The capital cost of the necessary equipment would not be more than six hundred dollars. Assuming that the land were all improved and awaiting better roads, about one hundred and seventy per cent would be the annual return to the community on the investment. Besides this saving, the area of production would be carried from twenty to forty miles farther into the interior. From twenty to forty miles of tributary territory with all its productive resources would be reclaimed, and the income over cost of production within the marginal circle would be an additional gain. But under our assump-



tion, oats being the only crop, when the fifty-mile limit had been reached by the dirt road, then all the territory outside this limit would be without a market. With each kind of crop, the same principle would apply, limits of practical activity being determined by cost of production and market price. . . .

Convert the common wagon road into a macadamized pike and the cost of transportation would again be reduced about one half. On the assumption above, over sixteen million dollars per annum would be saved to the community within a radius of fifty miles, at an added capital cost of about sixty-four million dollars; that is, about twenty-five per cent could be realized by the community on the investment within the area previously equipped with wagon roads, while the radius of profitable production would again be extended. All lands within from sixty to eighty miles would be brought within the range of the central market.

**Overcoming the economic disadvantages of the long haul.** The economic advantage to be capitalized in the building of railroads was "the advantage in the long haul." Within a narrow radius the saving through a canal or railroad transportation would be small in proportion to the cost of the improvement — in fact, the improvement would not be warranted:

Assuming that on a turnpike it would cost one dollar to market the produce of an acre of land ten miles distant, the saving within this small radius would not pay the interest on the increased capital cost of a canal or railroad. At twenty miles, however, under exactly similar conditions, it would cost two dollars per acre; at fifty miles the cost of carriage over a turnpike would be five dollars per acre. The advantage to the producer from a cheaper means of transportation would increase directly with the distance, and at fifty miles the inducement to canal or railroad construction would be five times as great as at ten miles. From fifty to one hundred miles back from the coast or from navigable water, every interest would favor canal or railroad construction wherever there were sufficient resources to warrant the expenditure.

Such was the philosophy which lay back of the financing of the improvements which we now have. An illustration

taken from the *American Railroad Journal* in the early days will show concretely what "the advantage in the long haul" meant.

TABLE SHOWING THE VALUE PER TON OF WHEAT AND CORN  
AT DIFFERENT DISTANCES FROM MARKET — UPON A  
RAILROAD AND UPON A COMMON ROAD

Miles	RAILROAD		ORDINARY ROAD	
	Wheat	Corn	Wheat	Corn
0 (at market).....	49.50	24.75	49.50	24.75
10.....	49.25	24.60	48.00	23.25
20.....	49.20	24.45	45.50	21.75
30.....	49.05	24.30	45.00	20.25
40.....	49.00	24.15	43.50	18.75
50.....	48.75	24.00	42.00	17.25
100.....	48.00	23.25	34.50	9.75
150.....	47.25	22.50	27.00	2.25
160.....	47.10	22.35	25.50	.75
170.....	46.95	22.20	24.00	
200.....	46.50	21.75	19.50	
250.....	45.75	21.00	12.00	
300.....	45.00	20.25	4.50	
320.....	44.70	19.95	1.50	
330.....	44.55	19.80		

From the point of view of agricultural development we may still say that this is a "vast wilderness with only a fringe of civilization, a continent almost unexplored." Operating under laws of competition, a large part of the agricultural lands upon which the population subsisted in these early days has not improved, but has been permitted to revert to its primitive condition. We are a nation of one hundred million people occupying a continent still undeveloped, and the one thing which cannot be left to the individual to supply is a transportation service that will put the farm which lies at a distance from a good market on an even foot-

ing with the farm which has a profitable market at its door. One of the results of our experience in the movement of men and materials under pressure of war necessity has been to demonstrate the adaptability of motor transport to achieve this end. In war, under conditions of severe competition it was found that motorized equipment which used existing highways was superior to every other known device, both from the viewpoint of its elasticity of operation and the capital cost of providing it.

**A means of reclaiming unused lands.** The case as it now stands is this: Around us on every hand are unused farms or partly used agricultural resources, in the development of which there is opportunity, not alone for the returning soldier, but for added millions of men through generations to come. Through a large part of this territory trunk-roads have already been built, and at most only need further improvement. During the last ten years roads have been much improved for use as "tourist routes." By a relatively small expenditure of money as compared with the enormous wealth that might be reclaimed, every farm in New England, every unimproved tract of the Middle West, every remote district which has agricultural possibilities may be reached by the motor truck. Given the highway and motor equipment, the problem of bringing the American farm to the world's market is largely one of organization; and the organization perfected for the handling of war personnel and materials during the last four years has proved itself beyond question to be able to meet the most exacting traffic conditions that can possibly obtain under any conditions of peace. It has opened the eyes of the world to the fact that country highways, as improvements, can be used many times more effectively than they ever have been in the past. It has also given to us a trained personnel. Between one and two hundred thousand persons have been

trained both in the use of motorized equipment and in a discipline which must prove of inestimable value in the organization and management of motor-service companies.

**Relation of small towns to rural improvement.** The reclamation of rural life, we are told, is the crying need of the time. This depends largely on the initiative of small towns. These are the foci of rural communities. In earlier times those who lived from the land lived in villages. Under the stimulus of economic advantage, the agricultural people drifted away from the towns and became dwellers in the open country. There for many years they remained isolated until under modern industrial conditions this isolation led to unrest and the drift has been away from the country, away from the land — to the town. The social reconstruction of rural life depends quite as much on a cheap and effective means of transportation to the farmer's door as does its economic reconstruction. The telephone has gone to the country; the rural mail is there; the passenger car as a private conveyance has already found its way to the farmer's home, and is serving him well. What is needed now is the development of a system of motorized transport which will operate as a public service reaching out to every home as the social and economic unit in rural life, like the capillaries of the vascular system, to carry to these homes the rich and red blood of civilization; and better means to distribute throughout the whole social system materials essential to its maintenance and upbuilding.

This means not alone the resuscitation of the rural communities through establishing new relations with the farmers who live on what may be called the economic and social water-shed; it means quite as much to the welfare of the industrial center through the interchangeability of labor and commodity supply; above all, it means Democracy; a common basis for thought and action, a unified influence for the

making and the explanation of public opinion which may be the dominating force in a nation which has its being under free institutions. The enlargement and making effective of means of transportation and communication must be accepted as a thing fundamental to broad coöperation, whether national or local; whether applied to market and supply facilities; whether applied to humanizing and building of educational facilities; or applied as a vehicle for giving individual opportunity and social expression in the upbuilding of institutions of common welfare. It is with this outlook and in this perspective that war experiences in the use of motorized equipment on the highways are to be viewed.

## XVII

### MOTORIZED HIGHWAYS THE BASIS OF A NATIONAL TRANSPORT SYSTEM

R. C. HARGREAVES

A MOMENT'S thought is sufficient to create an intense interest in the colossal transportation accomplishment which has been made possible through the experience of the War in the enlarged use of highways. For victory was not assured until every vein in the Nation's great transportation system was throbbing and pounding and responding in perfect attune to the requirements of the battle-front. As a result, men now realize better than ever before that our transportation system carries the life-blood of the Nation and is, in effect, the Nation's circulation system; and that for a healthy nation, as with a strong body, it must reach and serve every section of our great land.

**Early war demand for transport.** The early days of the War cried out for greater and yet still greater output from our transportation facilities. The ablest railroad organizations that any age or civilization has ever produced responded in the noblest fashion. At the same moment the Advisory Commission of the Council of National Defense, through its Chairman, sought for ways and means, in addition to rail facilities, for strengthening and increasing our transportation resources.

**Transport facilities not used.** It was obvious to the Chairman of the Commission that we had in this country nearly two and one half million miles of roads and highways, together with millions of vehicles of travel, not carrying their

share of the load. These veins of our national system were not tied into the rail and water lines — the main arteries. And so the Council of National Defense created the Highways Transport Committee for the purpose of energizing and vitalizing the highways of the land and fitting them properly into the whole transportation system.

Now, while transportation over highways in a broad sense is of ancient origin and in many countries to-day is the only means whereby people or goods are moved apart and brought together, War's demands forged a new tool for modernizing highways transportation. This weapon — the motor vehicle for passengers or freight — made possible as radical changes in highways transport as the submarine, dreadnought, or giant merchant ship have done on water compared with the limitations of the sailing vessel of days gone by or the steam locomotive transporting over rails as opposed to the employment of animate power for the same purpose.

In setting about to energize the highways for War, the Nation was really bending to the task of making transportation available in truly democratic fashion to the humblest of farms wherever they may lie and connecting such farms with every other home in our great land.

**Demand for increase in food-supply.** Consideration was first given to ways and means of providing a highways transport service to increase our supply of foodstuffs. Great numbers of people were suggesting methods of securing a greater acreage under production, but few were giving thought to the transportation of resultant crops from fields to shipping points or consuming centers. Each successive enrollment of our great army reduced labor available for home services a corresponding amount. Here again was emphasized the need for extending transportation facilities to bring the farmer closer to market so as to require the

least of his labor for purely transportation purposes and leave the most for agricultural effort.

**The first Rural Motor Express.** It seemed very evident that a Rural Motor Express line, operated on regular schedule over a prescribed highway route, would provide the farmer with a transportation service at his very door and connect his door with the rail shipping point or market. Such a branch line would, at the same time, permit the farmer to receive from the distant city all manner of farm supplies required in his work. In fact, it was realized quite early that this return load was of as much importance to the producer as the original farm load was to the army or other consumer.

A very careful investigation was made of existing truck lines throughout the country which might be providing this type of service even though in a small way. One localized survey of some thirty such lines already in operation showed them rendering a service of vital importance to farmers and of very distinct aid in augmenting our food-supply. Carefully prepared questionnaires were returned from nearly two hundred farmers served by these thirty lines, and their arguments, in condensed form, for the facilities provided were these:

- (1) The Rural Motor Express resulted in making more of the food now produced available for use where needed.
- (2) The labor shortage was greatly relieved through the increased efficiency of road transportation.
- (3) The service permitted, and hence stimulated, an increased production.

**Organization for extension.** After further research and many very helpful conferences, a rapid, nation-wide development of the Rural Motor Express was sought at all points where it would help serve our war needs. For this develop-



ment the Council of National Defense urged the development of Highways Transport Committees in every State of the Union as a part of the State Councils of Defense. These State Committees were grouped into eleven regional bodies and were assisted by the eleven Regional Chairmen of the Highways Transport Committee at Washington. This decentralization of effort was resultful of very efficient endeavor in all sections of the land and is an important suggestion for the final administration of this entire problem.

**Support given by men of broad vision.** The early interest of the United States Food Administration in the rapid extension of transportation facilities into rural areas is best shown in the following statement of its chief, Herbert Hoover:

The Rural Express development, which aims to provide efficient transportation between rural areas and consuming centers, and rail and water terminals, is, I believe, in the line of progress, and will bear larger returns to producer, consumer, and carriers, besides facilitating delivery, conserving labor, and making for the delivery of perishables more promptly and, therefore, in better condition. I would be glad if you would indicate to your State Highway Transport Committees the interest of the Food Administration in their efforts, and our desire to be of such assistance as we can.

The Department of Labor manifested a keen interest in the same subject because of their desire to facilitate rural transportation and relieve the pressing labor shortage. From a statement of Louis F. Post, Assistant Secretary of the Department of Labor, I quote the following:

The institution of adequate transportation which may be availed of by farming neighborhoods and enable men to conserve their time during planting, cultivation, and harvest will greatly relieve the farm labor shortage. The Employment Service has been urging farmers to combine for this service and to assist each other also in planting, cultivation, and harvest by exchange of labor on

a cash basis. This, like the organization of highways transport, would greatly enlarge the capacity of existing labor. In addition to organizing means for transport directly to market it would seem practicable and economic both in time and labor to organize similar primary transport from farms to rail and waterway shipping points. . . . Five-ton trucks could deliver with one man more than three wagon loads with three drivers and cover three times the mileage daily.

Shortly from many sections of our great empire streams of transport moved steadily ahead to rail shipping points or consuming centers. Highways transport, determining to be used as a weapon for facilitating and stimulating production, conceived that the farmer's gate — not the station many miles away — should be the farmer's shipping platform. And so right from his gate — yes, many times even from the very field and furrow itself — food to nourish our men in France began to move forward under power. By combining small, individual loads of several farmers into one large load, and moving this larger load at many times the speed, we saw the power of a single truck-driver become equal to that of scores of men. Man's potential, thus increased, gave tremendous stimulus to production, resistance to the movement was correspondingly decreased and food-stuffs began to flow. Soon they swept down in torrents, as it were, through every channel — through some with great difficulty, to be sure, but always the indomitable "fight-to-the-finish" spirit prevailed.

**The problem of the return load.** In order to make possible the greatest tonnage movement from existing vehicles and with labor as already employed, a special campaign was needed to secure return loads to points of destination. Return Load Bureaus were established in many cities of the country to bring together the truck moving empty and the shipper desiring to forward goods in the same direction. This need was particularly acute due to the nature of the

facilities offered, which were of individual ownership in the main. A few exceptions were found in the case of larger and better organized trucking companies having an eye open to the fundamental economy and necessity of a traffic flow in both directions, if obtainable.

**Keeping the roads open.** As soon as the important highways of various States and counties were put under regular operation, they immediately became parts of a great potential transportation system. And whereas in the snow belt winter embargoes shut off traffic for a considerable part of the year, it soon became clear that snow removal was as practical and necessary for highways as for railways, and it was undertaken. To-day it is reasonable to assume that the main highways of every State will become passable for traffic practically three hundred and sixty-five days in the year.

**The enlistment of local enterprise.** Out of the War's transportation challenge has now come also a clear conception of why we need and value highways. Many have labored long and faithfully to build roads, not traffic, and to complete the road had been to accomplish the goal. But to-day men labor for roads as one element only — as a means to an end, the new desire and aim being to secure economical highways transport. So now the true test of a road's value is in its power to stimulate traffic over it, and having done so, to permit its carriage at the lowest possible cost.

Certain cities have worked frantically to facilitate transportation over their surrounding highways as an aid to winning the War. Other cities have done this, and more. They have also wrought economic changes in the life of their neighboring country and diverted streams of traffic to themselves which formerly ran to other trade centers. Counties also have taken stock of their wealth and treasure.

They have not only produced up to their own requirements, but have developed nearby counties as an export market. Thus they set themselves up as creditors to other counties which have failed to discern the ability of effective highways transport to create wealth. States on our Western frontier have established "listening posts" at neighboring State capitals to learn of plans for aggressive highway improvement and highways transport development. Bond issues for these improvements must become the order of the day. For economic, commercial, and industrial supremacy as between States — and even the future history of many parts of our land — will be written in coming sessions of State legislatures.

From the provident people in many sections of our land come daily to Washington requests for new rail extensions into their sections of the State or county not adequately served at the present time. War's needs restricted the building of short stub-lines and branches. At the same moment highways transport stepped in to fill the need.

**Highways as branch lines.** These thousands of highways transport lines which were born of the necessities of the War may be thought of as so many thousands of branch-line railroads throughout the country which were not built before or during the War. These new feeders, in addition, are mobile — they are not confined by a pair of steel rails, but follow the trails, roads, and highways. While generally adhering to regular routes, tariffs, and time schedules, they may alter their route as the shippers require. As the center of their being, they are empowered to deliver shipments from the shipper's door to the very door of the consignee by simply following the road or the highway. This principle is as potent as it is simple — it shapes the destiny of countrysides and cities where it is in effect, and holds promise of developing wealth undreamed of in this country.

It seems logical to predict that from now on the benefits of rail transportation will eventually be extended into vaster and wider areas through the medium of highways transport feeder lines. This means that the expenditure of money and effort on the part of the State Highway Commission for roads must have this new viewpoint ever before it; for whether the matter in hand be the location of a new highway or the reconstruction of an existing route, it must first be approached from the traffic standpoint.

Many times, even during the War, occasions have arisen which prove that the conception now held by some highway commissions is other than that pictured above. The Honorable William C. Redfield, Secretary of the Department of Commerce, addressing a conference of the Regional Chairmen of the Highways Transport Committee in Washington, in September, 1918, made the following significant reference to the state of mind existing in certain sections of our country:

It is within two years that the governor of a great State has suggested to me that the use of large motor trucks be forbidden because they destroyed highways. I ask you if you will warrant the removal of locomotive engines because they are made one hundred tons heavier and would break the light rail made forty years ago? The problem is a duplex one. The best tool must be had for the job and the opportunity must be provided for the tool to do its work.

The Honorable Franklin K. Lane, Secretary of the Interior, at the same conference likewise suggested the larger opportunity which should be accepted by the State Commissions to become responsible for road development for purposes of transportation. He was speaking at the time of vast areas of this country awaiting development and how opportune the return of our soldiers might be in connection with the beginning of that great undertaking. After discussing in considerable detail certain large sections of land

which presented very attractive opportunities for development, he added:

That land should tie up with all other land. Means of communication should be a part of that general scheme. We should have as good roads between the little farms in Mississippi or in South Carolina or in northern Minnesota as we have in Maryland or in California. There is a work — the work that I have in mind, and for which Congress has made a small and tentative appropriation — the work of surveying this country and seeing how many of this Nation's land resources have not been mobilized and how best they can be used for providing homes for these men who come back, as well as adding to the wealth of the world. There is a work that ties up directly with your work, because I want to have small communities in which men have small acreages of land, not to speculate with but to cultivate; and these acreages are to center in small communities where men can talk together and profit by their own mistakes and their own successes and where those small communities will be tied up with all neighboring communities, so that there will be easy access between all parts of the country. Good roads and a rural express must be had. If you can help the Government in building good roads for little money or show how a rural express can be most profitably developed, you will be helping in the making of a new America. And I can conceive of a United States that will be as rich per acre as France; in which the people will be divided into small communities, industrial communities as well as agricultural; for every one of these little places ought to have its own creamery, its own cannery. The farmer is the poorest man in the world to develop any kind of coöperative scheme. He needs assistance and is always hampered by the lack of capital. But now is our chance to see what can be done; to show it in the building of ideal communities, communities that have good houses, that have good sanitation, that are on good land where there is somebody who can direct them as to what should be planted and what should be avoided, communities which may be connected up with the world by highways, by developing rivers, and by railroads.

**A new vision for Highway Commissions.** The Highway Commission of a State, if only responsible for building and

maintaining roads, has a restricted viewpoint and will show the results of their handiwork to best advantage when traffic over the roads is entirely eliminated. The Highway Commission in many States is quite distinct from the Commissioner of Motor Vehicles — the one building the road while the other permits vehicles to travel over it. Give to a new, reorganized State body the entire responsibility for building up material and spiritual power within their State through the development and stimulation of highways transport, related properly to existing transportation lines, and a new order within the State and Nation is assured. This State Commission would operate as a Road Transport Commission, having a Construction and Maintenance Department as at present, with the added functions described above.

Out of the Highways Transport Committee of the Council of National Defense must also come a new national body having proper responsibilities and opportunities for a richer national service. The new body should not be affixed as a bureau to any existing Government department. It should, however, become a part of a great Transportation Commission embracing all forms of transportation, if one should be created, as a partial solution for our railroad transportation problem.

The road end of this Commission or a Federal Highway Commission, if appointed, should not only administer the present Federal aid to States for road development, but should be required to conceive and construct and forever maintain a national system of highways.

A "lake to coast" system in operation. Perhaps the most definite need for a national highway system was felt during the early days of the recent War. Motor trucks for our army were, to a large extent, manufactured in the industrial States bordering on the Great Lakes, and, of course, had to be moved to Atlantic ports before starting for over-

seas. This initial movement was required at a time when the railroads were laboring under the most severe load of their existence and all transportation facilities were at a great premium. It so happened that we had in the making at the same time the personnel for our Motor Transport Corps and still largely in an untrained state. It was therefore recognized that the moving of these self-propelled vehicles on their own wheels could be accomplished and not only afford an ideal opportunity for the training of the Motor Transport Corps men, but at the same time afford considerable relief to the railroads.

With this in mind, the writer met with the highway engineers of several of the Eastern States at Detroit, Michigan, on September 22, 1917, to discuss the possible routes of travel for these Army convoys. This meeting was historic in that it was the first time the use of through, interstate routes was required for a very definite and important purpose. We sat at that meeting and looked away nearly six hundred miles to the port of Baltimore and further considered the possibility of reaching Newport News over the highway. This latter movement, very much to be desired for many reasons, was impossible then and is so to-day because of existing gaps in an otherwise through route. As a result of that meeting, the first convoy, consisting of one truck company including thirty vehicles and a personnel of approximately eighty men, left Detroit December 9th and arrived at Baltimore a few days later.

This was but the forerunner of thousands upon thousands of vehicles which later moved, not alone from Detroit, but from Buffalo, Cleveland, and from points as far west as the Mississippi River. But during the whole time that these operations were being carried on, many confusing problems were presented with respect to road maintenance and road construction. The logical through routes selected existed,



not as a portion of a great national route, but as the property of hundreds of individual counties and many States. To the credit of the patriotic men throughout that line of travel must go a proper recognition for the accomplishment of this great movement. And it should be borne in mind that on several occasions the equipment traveling the road had to be lifted bodily on to freight cars in order to negotiate a bad stretch for which no one seemed responsible. Needless to say if such an experience was required to show the value of a national system of roads, no further proof should now be required.

Men pause at the mouth of a great river to comprehend the wonders of its extensive valley, and so national highways will likewise tie all States together as with thongs and enfold in the mind of every man the thoughts of the millions composing this Nation of which he is one.

**The country road the key to prosperity.** As opposed to the great engines of destruction forged solely for War, our country now has a new instrument of transportation tempered for peace and of powerful potentiality. Highways transportation must first be grafted into the main body of our transportation system. Through these arteries the nourishing commerce and trade, the promise of wealth and succor to all nations must flow to ports and trade centers the world over. Highways transport affords a remarkable tool for extracting resources in this land hitherto unavailable and for stimulating production of all manner of products hitherto flowing in too sluggish a way. In its more personal manner of providing transportation to practically every farm and home, and connecting those with similar farms and homes the world over, it develops the spiritual power of nations as a factor of great import.

To-day the younger generation of our several States and cities can well understand the feverish state of mind which

prevailed during the early rail development in this country. The development of highways transport, adding strength to the railways, is encouraging to millions of bank depositors and life insurance policy-holders who are dependent on railroad prosperity for the security behind their bank or the investments of their insurance company. This entire development of highways transport, in stimulating production and creating new tonnage, delivers it to rail and waterways. It creates an enormous additional tonnage and can expand to a powerful degree the rail traffic density and necessarily the earnings to a corresponding degree. And as if this were not sufficient, at the same time it permits the railroads to slough off and divert to highways the short-haul freight and express which is carried at a loss — is, in fact, a liability instead of an asset, but which had to be borne while no other means of carriage was available.

**The question of financial support.** It is easy now to understand why our great bankers and business men are commencing to lend their aid to gain these advantages for the Nation. Highway bonds, which instantaneously expand the wealth of State, county, or community, immediately strengthening their own security, present themselves to-day to a bond-wise and eager public — bond-wise, because millions of people have found in the Liberty Bond, for many their first experience in bonds, a safe, sound, and simple security. And since highways transport is complementary to rail operations and is a tonnage-booster, there will be no holding-back any longer for fear of impairing rail securities. Highways transport by stimulating production increases local bank activities in a like proportion. It affords, at the same time, a field for direct financing. It is also well to remember that wherever stimulus is given to the bringing-together of people in communities of a State, social and living conditions are immediately improved and

once again merchandising in every conceivable form is stimulated.

The electric railroads, too, while continually abused by an exacting public and yet never able to charge for what the public wanted and what they were perfectly capable of furnishing the people, also find in highways transport something of a panacea. By supplying feeders at the ends of their systems, which search out traffic along the highways within their legitimate sphere of service, they create increased wealth in the communities and from this well-deserved and well-earned tonnage increase are not only able to meet interest on bonds, but pay real, honest dividends as well. This is, in fact, a means of recuperation that should be carefully considered in the readjustment program of all electric railroad properties. In applying it they will earn again the confidence of a public which wants to believe in the electric railroads because it needs them.

**The bringing in of new lands.** With this complete net of transportation, drawn like a spider-web over every section of our land and focused at every potential port and trade center, we may then imagine a merchant fleet — our fleet — large enough to carry overseas food for years to stricken Europe, as well as the crystallized energy of millions of stimulated war workers in the form of essential material products for export. But our concern is then with the ports at which our ships unload. If our flag is continually to dignify that fleet, vessels must be laden to our ports as well as from ours to foreign ports. And if a return load is to be found on the dock at Algiers or Rio, it forecasts a development of internal transport within those countries not far different from our own.

The great rail arteries must first be driven into the heart of countries and continents, enabling the undeveloped re-

sources to flow out. The rapid industrial expansion of the world, however, in the future need not wait so long to develop, as it has in the past, upon areas tributary to these rail arteries. Highways transport, at low, initial cost, can be used as a light tool for shaping the rapid improvement of a large surrounding area, just as rail transportation — the great, roughing-out tool — is used for first entering the heart of the country. Hand in hand they must go, articulating perfectly, if opening-up of the world's resources is to be an opportunity for our capital and if a greatly enlarged market for our products is to be a sure promise.

A report of the Utah Highways Transport Committee describes the manner in which a transport line reached into a remote area and permitted hogs to find their way to market. It is more interesting, however, to observe that as a consequence of the transportation difficulties having been solved, there will be marketed from that section in the future a great number of hogs. This is but another way of saying that the extension of transportation facilities into the county referred to has been the means of speedily revealing the potential of that land for certain agricultural work which formerly could not be undertaken.

**Linking up with the merchant marine.** One of the most widely distributed communications of the War was the letter written by Edward N. Hurley, Chairman of the United States Shipping Board, to the Highways Transport Committee, under date of November 7, 1918, in which he pictured highways transport facilities at the farmer's gate — and at every farmer's gate — as suggesting the initial phase of final overseas distribution. I quote this letter in full because it is not only an attractive picture of coördinated transportation facilities, but further illustrates the perfect manner in which all forms of transportation must eventually articulate:

Our merchant marine of to-day and to-morrow will carry a message of good-will to the nations of the world.

Millions of cruelly starved folk face westward from every shore with mouths open to the promise of America. These must be fed — and then clothed — and also supplied with the other necessities of life. Our grand privilege is now here to restore life, strength, and hope to these martyred brothers of a hundred tongues.

Highways transport facilities at the farmer's gate — and at every farmer's gate — must immediately suggest the initial phase of overseas distribution; must make a picture in the farmer's mind of the movement of the products of his soil and labor from his own gate through to the distant points of the world: to Europe, to Algiers, to Athens, and the Orient.

The Highways Transport Service is the first step in the great system of transportation to the sea and then on the merchant marine to the far points of the world.

Food must begin to move soon from every hill, through every valley of the great country behind our shores, down to the shipping points before we can start our ships from the ports and fulfill our duty; and, with the promise of the war's end before us, the Highways Transport Committee throughout this land could and should render a peace-time service by stimulating highways transport of nourishment and supplies so badly needed. Routes and channels from shipping points must be opened up and efficiently maintained, and our merchant marine must be built up to meet the demands for distribution overseas.

Resistance in any form to the free movement of farm products must be reduced and eliminated, and the most efficient utilization of man-power must be introduced wherever possible.

The United States Shipping Board urges that this message be carried through you and your Regional Chairmen to the state organizations and on down through your great body of patriotic men whose vision can well embrace the crying need of their brothers in other lands for help.

In spite of the great development of individual rural express lines throughout this country, there is to-day scarcely a single transport service line, which extends itself, as an integral part of the rail system, from a rail shipping point back into the areas beyond to serve the pioneers there who

await its advent. Not only must schedules of operation provide for the best possible train connections at the railroads, but accurate schedules must be maintained over the entire highway route. The service must of necessity consider passenger requirements as well as those for baggage and freight. The existing rail rate structure will have to be examined with an eye to the equal deservedness of those in large as well as in small cities and towns, and provide equal opportunity to all where due. The type of organization finally developed for the highways transport service and its field of operation must be such as to warrant through shipments on one bill of lading from the smallest home or factory in city or country to another in any part of the land.

Before success is achieved there must be a bringing together of communities needing transportation facilities and those that are in a position to provide what is needed. The spirit of service and a supreme desire to carry help to all will alone cause the transport service to endure and grow. It cannot be born, however, until the expression for its need carries a promise from all of the communities along its line of operation to become partners in spirit because of their very need for what it will supply. How far this development of efficient highways transport service is to go may best be judged from our present mileage of existing roads and highways; now in excess of two and a half million miles of road, as compared with less than 300,000 miles of railroad.

To this point I have dealt with the material and economic side of the development of highways transport. Nothing of immediate and lasting consequence, however, will be achieved without there come on to the field of constructive enterprise more men of powerful vision and inexhaustible energy. As State Highway Commissions are now constituted — able though many of those directly in charge of their work may be — there are still needed bigger men for

one of the biggest tasks of civilization that people of a State are entrusted to deal with. We have States to-day voting bonds to the extent of one hundred million dollars for road improvement and development. This is really not too large an investment, if such it really does become, and it is one that has been greatly delayed. Nearly every State that has men of vision and ability at the head of highway work will dare to do little less than is being proposed by those States most alert to existing opportunities and responsibilities. Yet in other sections of our country the opening-up of opportunities will be delayed because of inefficiency and inability in high places. In either case the need and call are for great builders of powerful vision.

Colleges and universities, standing for the best in life, must become a light for the proper understanding and more rapid upbuilding of highways and highways transport. And the people of our land, wherever they may be, must be helped by these universities to voice their desires for further development of that transportation which is historically democratic and universally deserved.

Of greater need than for men actually to construct roads is the need for traffic men to determine the existing, as well as the possible future economic and social conditions which justify the extension of transportation facilities from the nearest rail shipping point. This is especially needful in our Western country. After the traffic man, and after the great builders of roads for the traffic, is the need for the operating man who will conduct transportation best able to serve the needs of the country reached. Then will be required the mechanical man to maintain the vehicles employed in travel over the roads.

**An army of trained men.** It is not unlikely that many of our gallant Army which served in France, all of whom now know the value of motor transport and roads in war, will

desire to continue their work in a somewhat related capacity here. And so the colleges will have an opportunity of adding instruction in this field of science to help guarantee that the life-service of these men shall be one of richest benefit. It may be that in these very men who desire further instruction will be found those best able to develop and serve as teachers.<sup>1</sup>

**Essentials.** As a definite suggestion of the ground to be covered in developing highways transport engineers as lead-

<sup>1</sup> The following letter was just received by the writer from a soldier of the Motor Transport Service and is not unlike the many others that are being sent out in every direction. I think this letter, presenting itself first hand to the reader, may not only make my point clearer, but be helpful to the soldier who wrote it as well:

*Motor Transport Co. No. 346*

*Camp Dodge, Iowa*

*January 25, 1919*

DEAR SIR: —

I am an enlisted man in the above company now stationed at Camp Dodge, and am planning on going into the Motor Transport Business upon securing my discharge. The things I would like to find out are, 1st if you know of any locality where a new man could start and to proceed, making it a paying proposition. If not, would you please give me the necessary details regarding the way to go about locating oneself, and establishing a route that could give service and secure the business? I am going to buy — trucks and I have already taken the matter up with the — people of that city and they gave me lots of encouragement such as to starting in the Oil Fields of Wyoming. I also received a letter from the Highways Transport Committee of Colorado, in which they say there are a lot of trains operating out of Denver. Could you give me any information on this? It does not matter where I locate as long as I am sure of a good business. If these questions do not come under your branch, kindly refer me to the proper party. Thanking you in advance, and assuring you that anything you may do for me will be appreciated, I am

Yours very truly

(Signed)

J. G. BRENNEN

*Corporal, M.T. Corps*

P.S. Also kindly tell me how the charges are made for hauling.

J. G. B.



ers in this development, I recently suggested the following very brief outline:

**BACKGROUND:**

General study of highways transport in War and its future development.

**TRAFFIC:**

- (a) Proper determination of existing traffic that should be carried by highways transport.
- (b) Study of new traffic that should be created and carried by highways transport to consuming centers or to rail or water shipping points.

**ROADBED:**

- (a) Principles of highway location, including cost of conducting transportation due to grades and curves.
- (b) Principles for determining the most efficient type of road-foundation and surface for producing economical transportation.
- (c) Maintenance, reconstruction and construction of highways, including study of availability of materials to be employed.

**OPERATING:**

- (a) Highways transport operations to meet proper service requirements. To include study and analysis of operating costs, mechanical efficiency of transportation facilities employed, a study of efficient methods for loading and unloading, for dispatching and routing of equipment, and regulations for conducting highways transport safely over the highways.

**LEGAL AND FINANCIAL:**

- (a) The study of laws relating to construction, maintenance of roadway, including bridges, and manner of appropriating funds.
- (b) Ways and means for financing highways transport operating facilities.

**Education a factor.** Four years spent by the student in the engineering college and in the school of business, and

during vacations in the school of practical experience, should be none too long to provide a proper foundation. An examination of existing courses of instruction suggests many that would be most helpful. For instance: railroad problems, economics social and legal, principles of economics, railway traffic and rates, ports and terminal facilities, theory and practice of ocean transportation, commercial geography, contracts, business organization and administration, practical advertising, agricultural economics, community socialization; in addition, obviously those directly relating to the civil and mechanical engineering field suggested in the outline course above must be included.

Of perhaps greatest importance is the establishment of research laboratories to cooperate in problems of community research with respect to social science, economics, marketing, and allied problems. Out of such a work, inspired and fostered by genuine students of research, will come forth teachers and experts to whom the general educational work throughout the country can be entrusted. With these leaders will also come the very valuable textbooks required.

Many striking instances of the stimulation given to cooperative effort on the part of those living in small communities with the introduction of transportation facilities, were brought to the Committee's attention throughout the course of the War. One illustration, that is perhaps rather extreme, brought up to the market center from a very backward section not far removed a shepherd who had been unconscious for eleven years of any common interest between himself as a producer and the city as a consumer for his products. His experience when coming to the city years ago with a load of Southdown lambs had been most unfortunate and the price offered him so unfair that it not only necessitated his returning with his load of lambs, but he himself remained away

from the city for eleven years. This is but one of the problems which suggests a most fascinating field, not only with respect to the economic side of the transportation development, but more particularly with relation to the social side.

**Social benefits derived.** Many interesting studies are contained in Bulletin 393 from the Office of Public Roads of the Department of Agriculture. A portion of the Bulletin deals with the effect of road improvement on schools and social conditions. The following information, furnished by James N. Hillman, Superintendent of Schools of Wise County, Virginia, shows clearly the relation between improved transportation facilities and work of the schools:

The past month (September, 1915), we enrolled in round numbers 9000 pupils, out of a total school population of 11,000, and had an average daily attendance of more than 8000, or about 90 per cent. This is the greatest in the history of the county, as the yearly average attendance heretofore has been between 60 and 70 per cent. I might add that we have a form of compulsory attendance in effect this year, which, no doubt, is responsible for some of the unusual increase in daily attendance. We confidently expect our enrollment to reach 10,000 during the year. We also expect to see the average attendance close to 8000.

Schools that had to close by reason of failure in attendance previous to the building of good roads now assist in supporting good consolidated schools, at which the attendance is splendid.

The 4-room school known as Maple Grove, in the Hurricane District, is one of these. It supplants three 1-room schools, each of which, without exception almost, failed every year to keep up its average. At present there are but two teachers in the consolidated school, but they have an enrollment of 64, with an attendance last month (September, 1915), of 59.

The Duncan Gap School, a 2-room building, supplanting two 1-room schools, is doing well, and would not have been possible but for good roads, in my opinion.

The above schools are in the heart of the *country*.

The percentage of population enrolled has increased from about 70 per cent during our bad roads to at least 90 per cent for the

last year, before compulsory attendance was enforced, and will be better than that this year, I have no doubt.

It might be well to add, also, that a number of parents who own automobiles and who live in the country districts are now bringing their children into larger towns, that they may have the benefit of a strictly graded, well-manned high school. Before our good roads this was, of course, absolutely impossible.

**Factors of operation.** With this rapid development of highways transport facilities has also come an alarming increase in personal accidents, due to the manner in which transportation is conducted over the roads. A study of the most adequate methods for properly curbing traffic accidents is of supreme importance at this time. Not only must uniform and effective traffic regulations throughout all portions of the country be adopted, but a most rapid enlightenment of all of the people sought for which will result in the enforcement of the regulations designed to save life and limb.

Much experimental effort is necessarily required in determining the cost of operating vehicles over various types of road surface, with especial attention to the resistance encountered and the corresponding effect on operating cost.

The same research must be applied in determining the correct location of roads with respect to grades and curvature. This latter becomes increasingly important when it is considered that many of our present roads will necessarily have to be reconstructed for a new order of traffic. A scientific study, determining correct principles for road location, will serve a great purpose in making certain that reconstruction expenditures are directed along the proper routes of travel. For carrying out this experimental work, proper equipment must be designed and produced which for the work in hand will be as efficient and as effective as the equipment now found in many of our mechanical engineering testing laboratories.

In short, out of the War's need, highways transport development for the whole country in times of peace is assured. Leaders are required for the work in the field — teachers at colleges and universities to train them. And out of the research laboratories located at appropriate universities in different sections of our land will gradually be built up the progressive science of transportation and communication.

## XVIII

### THE RAILROAD PROBLEM

#### AS STATED BY THE INTERSTATE COMMERCE COMMISSION

**Its magnitude.** It is unnecessary to dilate upon the vital importance of transportation to the country, its commerce and industries, or to picture the immensities of the transportation business and of the plant which it employs. The questions now presented should be considered in a spirit as big and broad as are the interests to be affected thereby. The legislation to be enacted in answer to those questions should be based upon a policy as broad as the territory to which it applies and the law in which our governmental policy is announced should be as big as the business to which it relates. Governmental regulation of corporations engaged as common carriers should reach the corporate activities wherever those activities may lawfully go in serving the public as interstate carriers. The responsibilities of operation under governmental regulation must be accepted by the carrier corporations and the responsibilities that go with such regulation should be accepted in full by the Government.

In our last annual report we said, with regard to the future of the railroads, that whatever line of policy is determined upon, the fundamental aim or purpose should be to secure transportation systems that would be adequate for the Nation's needs even in time of national stress or peril and that will furnish to the public safe, adequate, and efficient transportation at the lowest cost consistent with that serv-

ice, and that to that end there should be provision for the following:

**Its main elements — Emergency coöperation.** The prompt merger, without friction, of all the carriers' lines, facilities, and organizations into a continental and unified system in time of stress or emergency. The thought underlying this is that, in the light of recent experiences, the President should be by law authorized in time of national stress or peril to assume possession, control, and operation of the transportation systems of the country to such extent as may be necessary to serve and protect the general public safety and welfare. Such action was found to be essential about one year ago. It is hoped that such an emergency will not again arise, but it seems wise to provide for it if it should come, and that all cavil and controversy as to the lawful power to act should be, by statute, set at rest. The Franco-Prussian War led the British Government to provide by law in 1871 a plan for taking over for governmental needs the railroads of Great Britain. It did not need or use that power until in connection with the World War which began in 1914. The further thought is that there may possibly arise a national stress or emergency, not the direct outgrowth of a war in which we are engaged, which would warrant and justify the exercise of such a power. If the power is provided by law it does not necessarily follow that it will be used, and it must be presumed that no President would exercise it except upon appropriate or proper occasion.

**Peace-time coöperation.** Merger within proper limits of the carriers' lines and facilities in such part and to such extent as may be necessary in the general public interest to meet the reasonable demands of our domestic and foreign commerce. The thought underlying this is that it might become necessary or be found desirable in the general public interest to permit, encourage, or require carriers within

limits as to extent, territory, and time to merge their lines and facilities or the operation thereof. The exercise of such a power would necessarily be an administrative function.

**Limitation of construction.** Limitation of railway construction to the necessities and convenience of the Government and of the public and assuring construction to the point of these limitations. The thought underlying the first part of this suggestion is that in some instances, for speculative or competitive reasons, railroads have been built in excess of the reasonable demand and in excess of the necessities of the territory built into, as well as of its reasonably prospective traffic. A railroad once built ordinarily must be operated and permitted to earn a living. The public should not be burdened with the maintenance of two or more railroads when one would substantially answer every legitimate purpose. In this connection it would be desirable that in the exercise of its powers the Congress should say that no railroad shall be constructed or extended that is to engage or is engaged in interstate commerce unless, in addition to required authority from the State, a certificate of public convenience and necessity is secured from Federal authority. The thought underlying the second part of this suggestion is that a railroad having been permitted, by public franchise and the powers that go with it, to build into a given territory, it should be required properly to serve and develop that territory. And in developed territory it is important to provide for the extension of short branch or spur lines or spur tracks to communities and industries that should be served and that can furnish sufficient traffic to justify such extension.

In some of the States the State officers are authorized to require such extensions, but in such cases they are necessarily primarily concerned with, if not confined to, a consideration of State traffic. Some of the States have not vested



such authority in any State official. Ordinarily such extensions would be desired for the purpose of facilitating or making possible the transportation of interstate traffic. The desirability of uniformity is obvious. The exercise of Federal authority should not depend upon whether or not the State has acted and should not be different as to the State that has legislated on the subject and the State that has not so legislated. It therefore seems desirable that the Congress should exercise its jurisdiction in this regard in a plenary way, and that where such extensions are desired in connection with the movement of presently existing or prospective interstate traffic and the carrier is unwilling to construct them, it may, upon proper showing and after full hearing, be required to do so by the Federal tribunal.

**Coöperation with waterways.** Development and encouragement of inland waterways and coördination of rail and water transportation systems. This means the coördination of rail and water transportation systems by establishment and maintenance of through routes between rail and water carriers and reasonable joint rates applicable thereto, divided upon reasonable bases, whenever and wherever such through routes will facilitate or economize in the movement of traffic and serve a real public interest. The law now prohibits a rail carrier from increasing a rate which has been reduced to meet water competition unless some justification for the increase can be shown other than the elimination of water competition. Where there is legitimate water competition and legitimate reason or occasion therefor, neither the railroads nor the water carriers should be permitted to reduce their competitive rates below a reasonable compensatory level for the purpose of stifling the competition. Rates that are on a level lower than is reasonably compensatory are not a public benefit. If they cover all the traffic the carrier's bankruptcy and destruction are inevitable. If

it has other traffic it is certain that it will endeavor from that other traffic to recoup its losses under the non-compensatory rates. A well-directed and proper coördination of rail and water transportation systems will of itself be an encouragement to the development of inland waterways.

We suggested five plans which we thought doubtless would be proposed for adoption as our future governmental policy and said that additional plans and modifications or combinations of those mentioned might be listed.

Private ownership favored with complete public regulation. Much can be said on either side as to the relative advantages and disadvantages which accrue from or necessarily attend either Government ownership and operation or private ownership and operation. It seems obvious that no plan of private ownership should be considered unless it be under a broadened, extended, and amplified governmental regulation. Considering and weighing as best we can all of the arguments for and against the different plans, we are led to the conviction that with the adoption of appropriate provisions and safeguards for regulation under private ownership, it would not be wise or best at this time to assume Government ownership or operation of the railways of the country.

The law provides that Federal control shall not continue beyond twenty-one months after the promulgation of a treaty of peace. The wisdom of thus providing a reasonable period after the passing of the imperative necessities of our Government in actual prosecution of warfare, within which to readjust or make preparations for readjustment of traffic conditions and to round out or prepare financial arrangements, is hardly open to question. Carrier properties formerly composing a system are now under the jurisdiction of two or more regional directors or Federal managers, the current of traffic has in some instances been materially

changed, and financial complications exist. Comparatively few contracts for compensation have been perfected between the transportation companies and the Government. Our expression in favor of return to private ownership and operation is therefore not to be understood as favoring a return of the properties in a precipitate way. A reasonable period of readjustment or preparation should be afforded and reasonable notice should be given that upon a given date the properties will be restored to their owners.

The experiences under Federal control have still further demonstrated, as had previously been shown in proceedings before and reports of the Commission, that there is necessarily a direct relationship between the wages paid to railroad employees and the rates which the carrier companies must and may charge. The largest item of expense in operation of a railroad is that of wages. Manifestly, from a social standpoint as well as from the standpoint of the nature of the employment, and because of the great importance to the public as well as to the railroads of loyal and devoted service on part of the employees, unaffected by excitement of wage controversies, and of uninterrupted operation of the carrier properties, the railroad employees should be adequately compensated. For the same reasons every reasonable provision should be made to insure proper compensation for the employees, a minimum of friction over questions of compensation or hours of conditions of service, and avoidance of interruption to the operation of the properties.

In the event, therefore, of a continuance of the policy of private ownership and operation under governmental regulation, we think that the following matters, mentioned in our annual report, require legislative consideration, in connection with which the following suggestions should be carefully weighed:

**Recommendations — Laws permitting coöperation.** Revision of limitations upon united or coöperative activities among common carriers by rail and by water. Under the policy heretofore followed by our Government all efforts to restrict the full play of competition between carriers have been frowned upon or prohibited. Obviously competition between carriers that is wasteful or unnecessarily expensive lays an added burden upon the rate-payers. Elimination of wasteful or unduly expensive competition in rates or service is desirable and under the exercise by the Government of its power to regulate the service and the rates which the carriers may charge and to require an abatement of all unjustly discriminatory, unduly prejudicial or unduly preferential charges, regulations or practices, carriers might well be permitted and encouraged to coördinate their activities and merge or consolidate their lines to such an extent as is, after thorough investigation and full hearing, sanctioned by the regulating body. The rates should not be higher than the shipper may reasonably be required to pay and should not be lower than the carrier may reasonably be required to accept. The regulating tribunal should have authority to prescribe, not only the maximum which the carrier may charge, but also the minimum. This power would restrain an individual carrier from furthering its own ends at the expense of others by unwise and unwarranted upsetting of reasonable rate adjustments. If the rates and charges are by regulation confined within the reasonably narrow limits between the maximum and minimum reasonable charges, no public interest can be injured by the carriers all maintaining charges within those limits. If, without unduly lowering or restricting the standard of service, economy in maintenance and operation can be secured by coöperative agreement or consolidation, under governmental supervision and approval, of two or more lines, the

public is not injured, while the sum available for improvements and betterments of the carrier properties is augmented.

**To prevent financial manipulation of railroads.** Emancipation of railway operation from financial dictation. It would serve no good purpose to recite the many instances in comparatively recent years in which, through financial deals for which it is difficult to find any word of excuse, railroad properties have been bankrupted or saddled with almost overwhelming burdens of indebtedness, which have not increased the amount or value of property devoted to the public service, have not improved the service rendered, and have on the whole had the effect of increasing the charges for service. There should be some way by which under the law these things could be prevented, or, if not prevented, by which the perpetrators could be required to adequately answer for their acts. A transportation line operating by virtue of a public grant, and upon which the industrial, commercial, and social life of communities depends, should not be a football of speculation. The records in investigations made and reported upon by us in cases of financial wrecking of railroad companies suggest the advisability of extending the terms of the Clayton Act with reference to common or interlocking directors so as to render them applicable to common carrier corporations, even when they are not competitors. Consideration of these questions leads to a search for a corrective for abuses.

**To regulate issues of securities.** Regulation of issues of securities. The advisability, desirability, and propriety of public or governmental regulation of the issuance of securities by public-service corporations is conceded generally by thinking and fair-minded men. A proper Federal regulation of the issuance of securities by the corporations engaged in interstate transportation and supervision of the applica-

tion of the proceeds therefrom would go far toward preventing the abuses referred to in the preceding paragraph. The Commission is on record for several years past as favoring such supervision and regulation of the issuance of securities.

**To improve Federal and State coöperation.** Establish-ment of a relationship between Federal and State authority which will eliminate the twilight zone of jurisdiction and under which a harmonious rate structure and adequate service can be secured, State and interstate. If the Govern-ment is to assume, as it should, all of the responsibilities that properly go with an amplified and broadened exercise of its regulatory powers and the regulation is to be adequate, the regulating body must have authority and powers which it has not heretofore had over questions of service and physi- cal operation of the carriers. In this way only can an ade- quate service be secured and kept in harmony with a reason- able level of rates. The conflict of jurisdiction as between the Federal Government and the States could probably be resolved through harmonious coöperation if the Federal tribunal could be authorized to coöperate with State authori- ties by utilizing their services in appropriate instances and to an appropriate extent.

**Differentiating kinds of traffic.** Restrictions governing the treatment of competitive as compared with non-com- petitive traffic. This subject is necessarily linked with what has been said relative to revision of limitations upon united or coöperative activities among common car- riers by rail or by water. If those limitations are appro- priately broad there would seem to be no occasion for dif- ferent charges, terminal or otherwise, as between so-called competitive and so-called non-competitive traffic, or for many of the old annoying and expensive restrictions sur- rounding milling and other services in transit.

**Regulating use of equipment.** The most efficient utiliza-

tion of equipment and provision for distributing the burden of furnishing equipment on an equitable basis among the respective carriers. Under broad revision of limitations upon coöperative activities among carriers they could form equipment pools which would add efficiency in the standardization of construction and in the utilization of equipment. Under the extension of authority to the regulating tribunal to require adequate service, carriers that are disposed to shirk their duty could be required to provide themselves with the equipment necessary to the furnishing of an adequate service.

**Terminal facilities.** A more liberal use of terminal facilities in the interest of proper movement of commerce. Here again a broad revision of the limitations upon coöperative activities among the carriers would naturally bring a more liberal use of the existing terminal facilities and would undoubtedly bring about agreements between competing carriers under which existing terminal facilities would be opened to traffic which (is now and) heretofore has been excluded. If the regulating body is empowered to require adequate service, it could require the enlargement of terminals, if that action were necessary in the public interest, and could require that terminals be opened to traffic in so far as is reasonably and properly in the interests of the commerce of the locality. Where this power was exercised the regulating tribunal would, as a matter of course, determine the reasonable compensation to be paid to the owning carrier for use of its property by the carriers or traffic so using that property.

**To require adequate facilities.** Limitations within which common carrier facilities and services may be furnished by shippers or receivers of freight. The carrier may provide facilities by ownership, lease, or hire. If they are leased or hired on reasonable terms from those who are not shippers

or receivers of freight, no public interest is affected by the arrangement. If the regulating body has power to require an adequate service, it could determine what constitute proper facilities and the extent to which and the instances in which they shall be provided by the carrier. If the regulating body has power to require the most efficient utilization of equipment, it can determine the instances in which and the extent to which special equipment or facilities may properly be demanded of the carriers.

Transportation service and adequate service are demanded by the welfare, the industry, the commerce, and the social life of the whole people. Securing that class of service is more important than is the question of whether it shall be furnished at a slightly higher or a slightly lower charge. An adequate service cannot be provided except from adequate revenues and as a result of adequate expenditures for maintenance, improvement, and expansion. Private capital cannot be induced to invest in railroad securities unless it can be reasonably assured of the security of the investment and an appropriate return thereon. It necessarily follows that the patrons of the transportation companies must pay rates that will yield revenues sufficient to justify rendering the quantity and character of service demanded. The charges should not be higher than those that will yield proper compensation for the service performed and appropriate return upon the property devoted to the public use. If through enlightened, broadened, and wise regulation that proper balance between revenues, on the one hand, and returns to capital and expenditures in operation, maintenance, and improvement, on the other hand, can be established, the public will be well served at reasonable charges, the employees of the transportation companies will be adequately compensated for their work, and the shippers and receivers will secure, at reasonable rates, an adequate service. It



would seem to follow necessarily that the securities of the corporations would become stabilized and that when it becomes necessary to utter additional securities under governmental supervision, capital seeking investment would readily respond to the call.

WOOLLEY, *Commissioner*:

If the railroads under Federal control are to be turned back to their owners, then I subscribe to the memorandum submitted by my colleagues, except wherein it says, "considering and weighing as best we can all of the arguments for and against different plans, we are led to the conviction that with the adoption of appropriate provisions and safeguards for regulation under private ownership, it would not be wise or best at this time to assume Government ownership or operation of the railways of the country," with the following two additional recommendations:

(1) With power to supervise the issuance of railroad securities, to prescribe service regulations, and to fix the minimum as well as the maximum transportation rates vested in the Interstate Commerce Commission, the Commission should also be made the tribunal to which carriers and employees, organized and unorganized, would appeal for adjustment of any differences arising between them; also, it should have authority to investigate from time to time the living conditions of railroad workers, to insure regularity of employment, and to fix a minimum wage. Congress should require the carriers, possibly by amending section 10 of the Clayton Anti-Trust Act, to make all purchases of materials, supplies, etc., through competitive bids in the open market, and their correspondence and other documents bearing on transactions of this nature should be subject to inspection by representatives of the Interstate Commerce Commission. This body would then be in a posi-

tion to act on full information in prescribing reasonable rates, in seeing that there is a fair return on capital invested, and in adjusting labor disputes; labor itself would know that its rights were being protected even in cases where its demands might not be approved by the Commission. If some such plan is not adopted by Congress, clerks and unorganized labor generally, having no effective means of protecting their rights, will inevitably be the first to suffer upon the least shrinkage of income after return of the roads to private control.

(2) The carriers should be required to set aside fixed portions of their gross annual incomes for depreciation, the percentage to be determined in each case by the Interstate Commerce Commission. This would insure uniformity of method in caring for the properties, and publication of the percentage prescribed in each instance would safeguard the interests of the purchasers of their securities. Chairman Daniels and I are practically in accord on this point.

But I believe the period of Federal control should be extended, as recommended by Director-General McAdoo, for a number of reasons, some of which are:

(1) With the Government borrowing more than \$20,000,000,000 in a period of two years and with railroad securities, largely speaking, depressed or in a measure discredited, I fail to see where the money is coming from to insure to the United States an efficient and articulate growing transportation system, vitally necessary in the great period of reconstruction just beginning, if the roads are to be returned to their owners for operation. In spite of the clamor from several quarters against further Federal control, the fact remains that following the statement of the Director-General that the roads may be given back at an early date if the period of Federal control is not lengthened, there came

shrinkages in market quotations of many railroad stocks, in some instances as much as twenty per cent.

(2) Some of our great railroad systems have credit sufficient to raise in the open market the new money which will necessarily be required from time to time for the development of their properties. For instance, the Pennsylvania, the Burlington, or the Santa Fé may find it possible to float bonds or notes, but I think it will not be seriously contended that a majority of the railroads now under Federal control could do likewise. Especially would they find it difficult if so-called "banker management" should be definitely removed, as is in effect recommended by a majority of the Commission. It is hardly possible that our great financial houses would under the circumstances be willing or able longer to market large issues of railroad stocks in order to secure additional funds.

(3) A real danger spot is the so-called "Weak Sisters." That many not already bankrupt might be thrown into the hands of receivers almost immediately upon return to private control is hardly debatable; that most of them are indispensable links in our national transportation system and should be improved and developed is generally admitted. The Government is the only possible source of financial help for this class of roads.

(4) Our public utilities, with approximately \$260,000,000 of bonds maturing in the next six months, have been under a heavy strain for some time. If the financial waters should be seriously disturbed through the forcing of the weak members of the present Federal control group into bankruptcy, many of these utilities would find it difficult to weather the storm.

(5) Probably for the first time in our history, all classes of railroad labor have received under Federal control at least reasonable compensation. The rights of union and non-union workers have been alike considered, with the

result that ample living wages have been granted. These workers demand that the recent increases be not withdrawn or reduced. Certain adjustments with a view to establishing proper relationships of wages for given classes of employment may be necessary, but, generally speaking, I think the workers in so demanding have a strong case.

(6) Though the present freight-rate structure is undoubtedly the best that could have been devised under competitive conditions and the act to regulate commerce, long and ably administered by the Interstate Commerce Commission, I am firmly of the opinion that there is urgent need of a new system of rate-making, and I see no hope of its being achieved except under Federal control or with the Government owning the railroads. The so-called rate blankets, grouping of communities, basing points, etc., outgrowth of competitive conditions, in my humble opinion make for favoritism and are highly uneconomic. In a word, the freight rate has been frequently used as a sort of protective tariff by means of which favored cities or communities have prospered at the expense of others. The freight rate should be made, under proper classification, on the basis of a terminal charge plus straight mileage. We are coming to it some day because it is the only just and logical plan, and I think the sooner it is perfected and adopted the better.

(7) I am aware that our year's trial of Federal control has not been an unqualified success; but to my mind the good accomplished far outweighs the shortcomings and is a promise of better things for the future.

(8) The proposal to return the railroads to private control, though widely discussed by railroad men, financiers, and shippers, has not yet, so far as I am aware, been productive of any concrete plan which would carry the undertaking safely over the breakers obviously ahead.

## XIX

### OCEAN COMMERCE IN WAR AND RECONSTRUCTION

WILLIAM E. LINGELBACH

THE importance of ocean commerce was sharply emphasized at the very beginning of the World War. Before the military struggle was many days old the campaign to capture and destroy the commerce of the enemy was also under way. In its essence it was an effort to control the supply of foodstuffs and of raw materials upon which the economic life, indeed the very existence of the enemy, was supposed to depend.

**Warfare directed against commerce.** As a means of attack, the capture of enemy trade is as old as history. In the days when Babylonians, Assyrians, and Egyptians struggled for mastery, the great trade-route passing through Syria and Palestine was usually the objective of the strategists of the pre-Christian era. Later when Rome and Carthage became rivals, Cato's well-known "Delenda est Carthago" (Carthage must be destroyed) grew out of the dangers to Rome from the growing wealth and power of the commercial city across the Mediterranean. In more recent times, to mention only one conspicuous instance, we have the protracted struggle of the Napoleonic wars resolving itself into a great effort on the part of the two principal belligerents to capture or destroy each other's commerce and in that way obtain the victory.

In the wars of the last two centuries the control of commerce has been the principal weapon of maritime powers

against continental powers. Hence in the present War, more than in any other in history, it developed into a gigantic campaign of the sea powers against the land powers. As in the Napoleonic wars, the former were in control of the overseas trade, and therefore of the supply of raw materials.

At the beginning of the War two principal belligerents, Great Britain and Germany, were also the leaders in the world's overseas trade. They were, with the exception of Belgium, the most highly developed industrial nations of the world. The life of both people, it was believed, depended upon the uninterrupted import of foodstuffs and raw materials, while free access to the markets of the world for the manufactures of each was regarded as essential to keep the factories going and thus give employment to labor. The value of the trade of the United Kingdom was enormous, approximating seven billion dollars annually. That of Germany, though not so large, amounting in all to about five billions in 1913, was becoming more and more essential. It was to be expected, therefore, that the ocean-borne commerce of the enemy would promptly be made the object of attack by both sides. The Germans inaugurated their submarine warfare; the Allies, taking advantage of their superior fleets and stronger geographic position, seized the enemy's merchant marine and intercepted his trade.

**Germany's first war-zone order.** On February 14, 1915, Germany issued the first of her infamous war-zone and submarine orders, threatening to cut off Great Britain from the outside world, from food and raw materials, and in that way reduce her by starvation. It reads:

The waters of Great Britain and Ireland and the whole of the English Channel are hereby declared a war zone. On and after the 18th of February, all enemy ships found in these waters will be destroyed without it being always possible to avert the danger threatening crews and passengers on that account.

Neutrals, too, must avoid the danger zone or take the risk of being torpedoed and drowned without warning and without offer of rescue.

That this was no empty threat the deadly precision of the submarine torpedo was to demonstrate all too soon. For Great Britain and her allies to have stood by without making adequate use of the command of the seas which their fleets gave them would have been madness. Here was an attack upon British commerce altogether unprecedented in its combination of barbarity and lawlessness. It involved not arrest, examination for contraband, or blockade running, and adjudication by a prize court, but sinking at sight without regard to the customs of maritime warfare, or still worse, without regard for the lives of crews and passengers.

**Britain's reply.** Great Britain replied in the now famous Order in Council of March 11, 1915. It is in every way commensurate with the severity of the crisis, and proclaimed to the world that England, using her right as a belligerent, would stop all direct trade with the enemy. It was tantamount to a declaration of a blockade of the enemy's coast with the great advantage that it could be enforced, at the narrows leading from the Atlantic into more distinctly European waters; and being new, it was not subject to the regulations that had grown up in connection with the exercise of blockade. It reads in part:

No vessel which sailed from any German port after the first of March, 1915, shall be allowed to proceed on her voyage with any goods on board laden at such port.

Every merchant vessel which sailed from a port other than a German port after the first of March, 1915, having on board goods which are of enemy origin or are for enemy property, may be required to discharge such goods at a British or allied port.

**Neutral trade with Germany.** As everybody knows, the Order was enforced, and enemy commerce was captured and

driven from the sea. But the enemy soon developed a trade through the ports of neutrals contiguous to her own territory. Stimulated by the opportunity for large profits and the activity of enemy agents and sympathizers, this trade grew by leaps and bounds. During the first nine months of 1915, for example, this commerce with the United States alone rose to nearly \$300,000,000 as opposed to \$125,000,000 for the corresponding months of 1913. For the first four months of the War, exports in copper from this country to Italy rose from 15,000,000 to 36,000,000 pounds; to the Scandinavian countries and Switzerland, from 7,000,000 to 35,000,000 pounds. Our trade with Holland showed a similar increase. Statistics laid before the British Parliament revealed excessive shipments of cotton and copper to European neutrals plainly destined for the Central Powers.

**Britain's retort — Stops indirect trade.** Here was a trade, "through routes," as Sir Edward Grey said before Parliament in July, 1915, "by which almost every kind of German commerce could pass almost as easily as through the ports of her own territory." In view of this, he argued, "*if the blockade can only become effective by extending it to the enemy commerce passing through neutral ports, such an extension is defensible.*" Besides, the 11th of March Order in Council forbade all commerce with the enemy. The Allies therefore proceeded to stop this indirect trade.

**Neutrals protest.** The neutrals did not at once accept this view of the case. There were frequent exchanges of diplomatic notes between the British Government and the various Governments affected. Our own Government protested vigorously against the March Order, declaring, "It would constitute, were its provisions actually carried into effect as they stand, a practical assertion of unlimited belligerent rights over neutral commerce within the whole Euro-



pean area, and an almost unqualified denial of the sovereign rights of the nations now at peace."

**Britain's rejoinder.** In reply the British Government reminded us of the stand taken by our Government in the Civil War. We then asserted, Sir Edward Grey pointed out, not only the right of blockade, which Great Britain accepted despite great damage to her cotton industry, but we went much further. In several important cases we claimed and exercised the right of seizure and confiscation of the cargoes of vessels sailing from a neutral port in Europe to a neutral port in the West Indies because the ultimate destination of the contraband part of the cargo was found to be Confederate territory. Not only had our prize courts ruled against the legality of trade with "ultimate enemy destination," but the Supreme Court had supported the ruling in clear and precise language; a position further accepted some years later in 1873 by the Claims Commission. Sir Edward Grey's interpretation of the international law was, therefore, from the point of view of the precedent established by the United States during the Civil War, quite correct. Moreover, England has always insisted on what is known as the doctrine of "continuous voyage." Goods passing through Holland to Germany in the manner indicated were manifestly on "continuous voyage," did not pass into the common stock of the neutral country, and were therefore a part of the enemy's commerce.

**How the blockade was carried out.** A number of practical methods for getting control of enemy trade were soon developed. The first was well known from earlier wars; namely, search of vessels suspected of carrying contraband. This might be done at sea, but only with great difficulty, and the practice of sending the ship to a British or French port for search by officials of the Admiralty became the rule.

The second method appeared in the large increase of

articles treated as contraband. The original list of eleven articles declared by the Declaration of London as absolute contraband was by degrees increased to sixty-eight, and finally the distinction between absolute and conditional contraband was given up altogether.

The third method savored a little of the practice of the Napoleonic wars. It consisted in having all trade to the ports of neutrals adjacent to the enemy controlled by agencies in London.

Through these the British and Allied Governments established complete supervision over the nature and the quantity of the trade of neutrals adjacent to the enemy. Thus all trade of the Netherlands was conducted through the Netherlands Overseas Trust; that of Sweden through the Statens Handelskommission; that of Denmark through the Danish Merchants Guild; and that of Switzerland through the Société Surveillance Suisse.

A careful check was thus exercised on every detail of the trade into the neutral territory. Pledges were exacted that no goods should be allowed to pass to the enemy. In case grounds for suspicion arose that the imported goods were being used to replace native articles which were in turn sold to the enemy, the license for their importation was immediately discontinued. By a system of rationing, the exact amount of all overseas productions to which a neutral adjoining the enemy was entitled was established, and whenever the imports of a given article to a neutral exceeded the total amount allotted it in the schedule for its domestic consumption, licenses for further import of the articles in question were for the time being discontinued.

The fourth method consisted in the simple but very effective device of refusing bunkers, that is, fuel coal and ship's rations to all ships failing to comply with Allied trade regulations.

The fifth method was nothing less than the device of the "black list," which placed some fifteen hundred business firms all over the world in a class to be boycotted by persons and corporations having business relations dependent upon the Allies.

**Degree of success attained.** The actual enforcement of the regulations governing this commerce, especially as it related to the European trade, was graphically described in 1916, by Sir Frank Newnes, the Assistant Secretary of the Committee on Detention of Neutral Ships:

Every ship, east or west bound, passing through the English Channel or by the north of Scotland is stopped by one of the British men-of-war, boarded, and examined. These ships are armed merchantmen and are on duty right across from the north of Scotland to Norway, one ship every twenty miles: they are manned by the Royal Naval Reserve men from the mercantile marine who are used to examining ship's papers and documents. A copy of the ship's manifest is then wired to London, and, to give you some idea of the labor involved, — some ships have between 300 and 600 different descriptions of goods on board, all of which have to be sent out, — and thus these telegrams run to many thousands of words. ♪

The telegraph manifest goes at once before the Contraband Committee, which sits every day and all day, presided over by E. M. Pollock, King's Counsel and Member of Parliament for Warwick. The Committee considers each item, and if it has reasonable suspicion that any items are destined for the enemy, the ship will be detained and ordered to unload the suspected items at a suitable port. If she has nothing suspicious, the ship can proceed at once; and I may say that the Contraband Committee works so expeditiously that its decision on the ships or goods is nearly always given the same day that the manifest is put before it.

When the manifest is telegraphed to the Contraband Committee it is also telegraphed to the War Trade Intelligence Department, which has been created for the purpose of supplying information on which the Contraband Committee can decide whether certain goods should be allowed to go forward or not.

When suspected goods are unloaded from a ship they are at once

put into "prize," and the owner of the goods has to make a claim for their restitution and must bring an action for their recovery. Such actions are tried in the Admiralty Court, which is presided over by Sir Samuel Evans; and the goods are released, condemned, or dealt with as the Court may deem just.

That the regulations, despite the equitable manner in which they were conducted, constituted in principle a serious invasion of neutral rights is evident. That it was accepted without more protest was due mainly to methods of submarine warfare and other war practices of the enemy. To square her profession with her practice Great Britain renounced the Declaration of London through the Order in Council of February 22, 1917, which also set forth the position of the Allies on ocean commerce just before the United States entered the War.

**America's war trade problem — British experience.** The problem in regard to commerce confronting the United States upon her entry into the War was therefore not the prevention of enemy trade; that had been attended to. Our task was rather to organize and direct the vast trade of this country, so as to insure the maximum assistance to the Allies. Fortunately, their example, notably that of Great Britain, had blazed the way. The President and Congress were as a consequence able to inaugurate their policies with an assurance otherwise impossible. To understand this a brief review of Britain's efforts in this line will be necessary.

At the very beginning of the War rigid trade control promptly made its appearance in certain lines in Great Britain: especially in the matter of transportation. On the 4th of August, acting on the authority of the Act of 1912, the Government assumed control of all the railroads of the United Kingdom. Ten days later, 120,000 British troops with equipment and supplies were on the fighting front in France without the loss of a man.

But control of railroad transportation was far from solving the serious problem of food-supply, raw materials, the transport of troops overseas and the supplies necessary to maintain them. To meet these stupendous problems large numbers of vessels were requisitioned on August 3, by Royal Proclamation. The owners were to file claims for losses with the Admiralty and a Board of Arbitration. Gradually the Board was entrusted with the power to determine monthly rates for the hire of vessels of different classes. This led to the so-called "blue-book" rates for requisitioned ships.<sup>1</sup> The number of ships at first requisitioned by the Government was about fifteen hundred of the larger class, and comprised about twenty per cent of Great Britain's total tonnage of 20,533,706 gross tons.

With the remaining vessels under private control the war risks had to be met. A Private Protecting and Indemnity Association was formed to insure against losses inflicted by the enemy. It was soon seen, however, that this would operate to increase the cost of freight tremendously, or tend to keep ships off the sea. To overcome this, the Government assumed eighty per cent of the insurance risks paid by the Indemnity Association, getting in return eighty per cent of the premium money paid in. But even with this very liberal provision, shipping was under very heavy expense during the winter of 1914-15, and rates rose rapidly.<sup>2</sup>

The reasons are not very far to seek. Besides losses from submarines, vessels tied up in enemy ports, enemy carriers in neutral ports, and one fifth of the British tonnage requisitioned for the Navy, there was the disorganization and shortage of labor at docks, resulting in long delays in unload-

<sup>1</sup> These were markedly lower than the rates prevailing in the market; they were revised in March, 1915.

<sup>2</sup> Renwick, W. H.: "Sea Freights and the Cost of Food," *Nineteenth Century and After*, March, 1915.

ing and taking on of cargoes. On January 29, 1915, the London docks were so congested that forty vessels lay at Gravesend waiting to discharge their cargoes. And since French and Italian ports were in the same condition a voyage consumed four or five times as much time as under normal conditions.<sup>1</sup> The result was a shortage in tonnage that was soon reflected in the rates, which rose, for example, from the prevailing price in January and March, 1914, of 1s. 2d per quarter on grain from New York, to 7s. 4d. in January and March of 1915, and to 18s. in the summer of 1916. Rates to other ports rose in like manner.

The increased rates combined with other causes brought on an excessive rise in the price of food and the Government was forced to take drastic action. A Requisitioning Committee was appointed with power to secure sufficient tonnage for foodstuffs in order to prevent the freight rates from rising to prohibitive levels.<sup>2</sup> The Committee began by requiring all liners and cargo steamers to devote from fifty to seventy-five per cent of their space to the carriage of foodstuffs. This had the desired effect: the cost of bringing American wheat to England was reduced from 18s to 7s. and 8s. by the autumn of 1916.

In this way Great Britain brought shipping rates for the more important staple commodities, like grain, sugar, and meat, completely under Government control. But again it was found that this was not enough. Through an Order in Council of November 10, 1915, supplemented by subsequent Orders, the entire movement of British shipping was brought under executive direction. Vessels of five hundred tons

<sup>1</sup> Gray, H. L., p. 143. The situation was further aggravated by the withdrawal of over 30,000 aliens from merchant ships, and the greatly increased wages, amounting to over £2 a month on tramp steamers, early in 1915.

<sup>2</sup> Cp. *Parliamentary Debates, Commons*, 1916, LXXXVI, 505. Grey, p. 148.

upward were obliged to procure a license for each voyage. Then followed the regulation of the export trade by making the export and import of between eight hundred and nine hundred commodities contingent upon a license from the War Trade Committee.<sup>1</sup>

Thereby much needed extra tonnage was obtained for the shipment of essentials. Regular commerce was not cut off; it was only brought under regulation and subjected to the priority rules laid down by the Orders. But despite this, the ever-increasing demands of the War and the losses through submarines continued to make the shortage of ocean tonnage a serious menace to the allied cause. The Parliamentary Committee already alluded to, recommended in its report,<sup>2</sup> in November, 1916, three lines of action to meet the situation. They were: further control and regulation of freight rates, the elimination of competition, and a more energetic program of building new ships.

The first two recommendations were promptly carried into effect by the Shipping Controller. A rule was adopted that in the future all profits above those allowed by the blue-book rates should go to the State and at once all motives for competition were removed. At the same time the Government continued to requisition more and more ships until ninety per cent of all ships of sixteen hundred tons and over were, according to the statement of the Chancellor of the Exchequer in May, 1917, under direct Government control. Hand in hand with this went a program of further restricting all but the most essential imports. Too much freedom had been used in granting licenses. To carry out the recommendation of the Committee to increase the tonnage by new construction everything possible was done. Construction had not kept pace with the losses of the War,

<sup>1</sup> *Board of Trade Journal*, October 12, 1916, pp. 86-87.

<sup>2</sup> *Papers on Command*, 8483, p. 11. Gray, p. 146.

there being an actual depreciation of over a million gross tons.<sup>1</sup>

**The American program — Shipbuilding.** The situation looked very serious even after the entry of the United States into the War. In August, 1917, Lloyd George announced that by purchase and construction a total of 1,900,000 tons would be added to British tonnage during the year, but that this would not repair the losses caused by submarines by more than a million tons. The obvious way out of the dilemma lay in calling upon the wealth and the resources of the United States to construct ships sufficient, not only for the transport of her troops, munitions, and supplies, but to counterbalance the losses caused by the submarine. This meant to produce three times as much as Great Britain, the greatest maritime and shipbuilding nation of the world, had done at her best. Here surely was a task, and withal a challenge, to the democracy of America, worthy of its best efforts. That it would be impossible to rise to the call at once was evident,<sup>2</sup> but the wonderful coöperation of British shipping interests served to tide over this trying period until the Nation could strike its stride in the long-neglected task of shipbuilding.

**Regulating and directing commerce.** In the meantime, too, our Government turned its attention to the careful regulation and direction of American commerce. In June, 1917, it passed the Espionage Act. It is described as an act "To punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States," etc. The first section of the act provides that "Whenever during the War the President shall find that the public safety shall so require and shall make proclamation thereof,

<sup>1</sup> *Parliamentary Debates, Commons*, 1916, LXXXVII, 849. Mr. Runci-  
man before the Commons.

<sup>2</sup> *New York Times*, September 29, 1917.



it shall be unlawful to export from, or ship from, or take out of the United States to any country named in such proclamation any article or articles mentioned in such proclamation, except at such times, and under such regulations and orders, and subject to such limitations and exceptions, as the President shall prescribe."

In accordance with this authority the President, on June 22, established the Export Council, consisting of the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, and the Food Administrator. A few weeks later, on the 9th of July, he issued a proclamation prohibiting exports of coal, food, grains, meats, steel, and other products, except by license. At the same time the Secretary of Commerce announced the procedure to be followed in applying for licenses, and published several forms of license applications.

Many instances might be cited to illustrate the far-reaching readjustment these measures called for in our foreign trade. One large concern exporting wheat biscuit suddenly discovered that its entire trade was destroyed by the export prohibition. With true American ingenuity, however, it developed a wheatless biscuit which not only satisfied the Board, but its foreign consumers as well, and is to-day supplying not only its former customers, but a widely extended market.

Early in October "An Act to define, regulate and punish trading with the enemy, and for other purposes," became law. It was known as the "Trading with the Enemy Act." Its administration was naturally entrusted to the Exports Administrative Board, but that body had been hastily organized and was therefore inadequate for the task of directing the enormous trade of the nation, which in the year before the War approximated eight billion dollars. Accordingly the President, by the Executive Order of October 12, 1917, created the War Trade Board.

This new administrative body soon developed into one of the most effective and important of the numerous boards called into existence by the War. To it were entrusted all the functions of the Exports Administrative Board as well as the duty of carrying out most of the operations of the "Trading with the Enemy Act." It was composed of representatives, respectively, of the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Food Administrator, and the United States Shipping Board. Power was vested in the Board to issue or refuse licenses for export of all articles, the export or import of which was restricted by proclamations of the President. Article VII of the President's Order authorized the Board to make rules and regulations for the exercise of its power and to take such measures as may be necessary for their administration.

**The War Trade Board.** Under this authority the War Trade Board, which was promptly organized, not only worked out a well-balanced organization, but it issued rules and regulations which had the full force and effect of law for the conduct of the vast trade of the country. It also acted in an advisory capacity to the President and to the commercial community throughout the country.

Ten subdivisions, each with a Director, were created by the Board. Merely to mention these will suggest the broad scope of the Board's activities. They are the bureaus of Exports, Imports, Enemy Trade, War Trade Intelligence, Research, Tabulation and Statistics, Foreign Agents and Reports, Branches and Customs, Administration, and the Division of Information. In addition a Contraband Committee was organized for the purpose of issuing, withholding, and refusing "export licenses" in conformity with the policy of the Board.

Local or branch offices with special agents were also es-

tablished at all principal shipping and trade centers. The duty of keeping the public informed of the administrative acts of the Board was entrusted to the Division of Information. It did this chiefly through its monthly publication, the *War Trade Board Journal*, and by means of printed Rules and Regulations published from time to time.

The Board has also been instrumental in systematizing the legislation on the subject of trade control. Through its suggestions, arrived at by frequent conferences with foreign and domestic trade interests, the President, on February 14, 1918, issued several new proclamations on the subject of trade control. The first of these was a "Proclamation for the Control of the Entire Foreign Commerce of the United States." It prescribed licenses for all imports and exports, in order to insure "the transportation of American armies to France and the Maintenance of Continued Supplies." "The chief purpose," says the official *Journal*, "was to eliminate less essential imports, to the end that tonnage might be conserved and additional shipping be made available for the transport of troops and supplies to Europe." Full control of licenses was placed in the hands of the War Trade Board, and after February 16, when the law went into effect, no commodity could be exported to or imported from any part of the world without a license.

**Incidents of trade regulation.** The first list of Restricted Imports under this proclamation was published by the Board on March 28. Among the items are many that excite interest. A few instances will illustrate the underlying purpose of the act. Thus the so-called "American" peanut, which was being imported in large quantities from Asia, consumed, says the official bulletin in citing the estimate of the Shipping Board, a sufficient cargo space for the transport of a million bushels of wheat to France. At a time when Italy and Greece were crying for food those countries were

sending currants, raisins, olives, and other foodstuffs to the United States equivalent to one hundred thousand bushels of wheat. Such imports plainly represented a serious waste of labor and of cargo space, besides exposing the property to destruction while in transit. Therefore, in conformity with the practice of the Allies, especially Great Britain, which had found it necessary to impose very drastic import restrictions, the Board prohibited these and similar importations, "in order the more effectively to devote our shipping to the successful prosecution of the War."

We also adopted the policy of the Allies on the subject of black-listing, but we gave it a more euphonious name. Thus the list of firms suspected of having "acted directly or indirectly for, on account of, in behalf of, or for the benefit of enemies and allies of enemies," published by the Bureau of Enemy Trade, are not called "black lists," but "Enemy Trading Lists."

Shipping too is under absolute control. Vessels of American registry that are not requisitioned by the Shipping Board are, according to General Rules, No. 1, given a license for bunkers — that is, coal and ship stores — only for the voyage and in a trade approved by the War Trade Board. Nor is it shipping of American registry only. The neutral must conform to quite as rigorous control when trading through a port of this country. Even if he does not touch at a port in this country, — that is, even if his trade lies entirely outside of the United States or of the Allies, — he is subjected to strict supervision. Thus the fifth article of the General Rules relating to neutral ships has among others the following:

No vessel shall carry from a port outside the United States to any European port cargo which has not been previously approved by the War Trade Board or the Interallied Chartering Executive.

No vessel shall proceed on any voyage or be chartered on trip

or time charter without the previous consent of the War Trade Board or the Interallied Chartering Executive.

No vessel shall be laid up in port without the approval of the War Trade Board or the Interallied Chartering Executive.

Every vessel which proceeds from or to the United States, to or from Norway, Sweden, Denmark (including Iceland and the Faroe Islands), Holland, Spain, or to or from any neutral port in the Mediterranean Sea, shall call for examination as may be directed by the War Trade Board.

No vessel shall carry any cargo which comes from or through or is destined to Germany or its possessions, or to any country allied with Germany.

Here is trade regulation to solace the conscience of the authors of the Orders in Council of Napoleonic days! And what is more to the point, these Regulations do not exist on paper only, as did Bonaparte's famous blockade decrees, but they form an integral part of the vast overseas trade of the world and are rigorously enforced.

**Control of domestic commerce.** In the matter of the control of domestic commerce this country solved problems in a manner that would have been regarded as impossible, indeed little short of revolutionary, in pre-War days. Thus the assumption of the control and operation of the 188 railroad systems of the country by the Government, and more recently, of the telegraph and telephone wires, affords ample evidence not only of the power and authority of the Government of the United States in such matters, but also of the readiness of great corporations and of the public to cooperate to the fullest extent possible in the attainment of the common end.

**Ravages of the submarine.** The purpose of this rigid control is obvious. The ravages of the submarine were so great that every available space in every available ship had to be mobilized by the Allies to avert defeat. As late as April of 1918 the situation was extremely critical. In an

official statement before the House of Commons, the Parliamentary Secretary to the Ministry of Shipping declared:

The total losses in that month were 555,000 tons of British shipping alone. I am not speaking of the Allies. We built in that month rather less than 70,000 tons, so that there was a net loss in April, 1917, of 485,000 tons. Nearly 500,000 tons down in a single month! . . . Obviously, if that went on for only six months we were in deadly danger. If it went on for nine months we were ruined. That was the position. We can afford to speak of those things as we could not speak of them at the time. Now contrast that with the position which obtained in September, 1918. In that month the loss had been reduced to 151,000 tons a month. . . . Building had risen to nearly 145,000 tons; so the net loss of shipping in September was less than 7000 tons — a negligible figure. In short, the submarine campaign had been beaten.<sup>1</sup>

The total tonnage lost during the war amounted in gross tons to 15,053,786 tons as against 10,849,527 tons new construction and 2,392,675 tons captured from the enemy. Of the former the United Kingdom built 4,342,296 tons; British Dominions, allied and neutral countries 6,597,231 tons.<sup>2</sup> From the point of view of the Far Eastern trade the remarkable growth of the shipbuilding industry of Japan is of significant interest. Almost negligible before the War, it shows an aggregate construction of 183,417 tons in the form of 65 steamers, all over 1000 tons, during the first six months of 1918. What the world's total tonnage will be is impossible to say. One thing is certain, however; if the different countries carry out their respective shipbuilding program only in part, tonnage will soon be competing for cargoes instead of being sought and commandeered as has been the case for the past four years.

Summary of war trade. Equally remarkable was the movement of trade during the War. Thus, while the higher

<sup>1</sup> *Board of Trade Journal*, November 21, 1918, p. 649.

<sup>2</sup> *Ibid.*, December 12, 1918, p. 740.

prices account to no inconsiderable degree for the excessive rise in the trade statistics of the War, there was nevertheless a very substantial and real growth. Our exports rose from \$2,484,000,000 in 1913 to \$6,231,000,000 in 1917 and our imports from \$1,792,000,000 to \$2,952,000,000 in the same period.

Foodstuffs exported during the War period equaled in value those exported during the preceding ten years, and showed an increase of 179 per cent over the four pre-War years. "Miscellaneous" exports, which included large numbers of horses and mules, jumped from \$30,000,000 to \$300,000,000, an increase of nearly 900 per cent. Raw materials for manufacturing, on the other hand, showed a decline due to the shutting-off of the Central European and Russian demand for raw cotton, the exports of that commodity falling off 33 per cent. Imports fluctuated less, showing a total increase from \$6,887,000,000 to \$9,558,000,000 or 39 per cent, as against an increase in total exports of 117 per cent.

The new distribution of trade. Hand in hand with this increase in the value of our foreign trade there came an inevitable shifting of its distribution. The Allies were large buyers and small sellers, while trade with the Central Powers was, of course, shut off entirely. Trade with South America showed an increase of 114 per cent for imports, and 72 per cent for exports; with North America, 95 and 73 per cent, respectively; with Asia, 117 and 121 per cent, and so on. Furthermore, this trade has been coming to us direct instead of going first to European ports, and there is a possibility that this will not only continue, but increase with the development of American merchant marine.

If we analyze the present situation with respect to ocean commerce certain very concrete factors present themselves. First, is the considerable increase in ocean-borne commerce,

especially that of the United States; second, an almost fabulous development of the shipbuilding industry with colossal construction programs in process of execution; and third, the rigid and extended Government control exercised by the Allies jointly and individually over all this development.

**Commerce in reconstruction — Great Britain.** A solution for the problems of reconstruction and a return to peace conditions is not easy to find. Indeed, no general solution is possible. Each country must look at the question as it affects its peculiar condition, tempered, let us hope, by a recognition of the fact that the intensely nationalistic trade policies of the pre-War years played a sinister part in the development of the War psychology.

That Great Britain has gone much further in developing its program of reconstruction is to be expected, because of the vital importance of the subject to her national life. Long before the armistice was signed, the newly created Ministry of Reconstruction appointed special committees, more than sixty in number, to study the situation and report on post-War trade and shipping problems. On the basis of these the British Government is carefully working out and applying its reconstruction policy.

There has been a frank avowal of a desire to get back to pre-War methods in regard to overseas trade; "to restore as soon as possible," declares the Shipping Controller, "the position that obtained before the War." In carrying out this program, he further said "that the Government have contemplated the sale of the Government ships to private owners, and a beginning of the sale has been made." Almost every day marks some relaxation in the war-time regulations on trade and shipping. On the other hand, no less a person than the Premier has announced the need of Government supervision and direction through a Government department especially created for the purpose.



**American policy?** In the face of this one may well ask what is being done to deal with this enormous problem of trade and shipping by our Government. Is the colossal ship-construction program to be carried through? What is to be done with the tonnage now owned by the Government? Is Government ownership to continue, or are we to follow the example of Great Britain and turn the Government ships over to private corporations and owners, permitting as rapid return as possible to the conditions of individual competition? Unfortunately our shipping, as well as our foreign trade situation, presents difficulties of an altogether extraordinary nature, which makes the solution of the problems anything but simple.

As is well known, the cost of operating American ships is considerably higher than it is for foreign ships, because of our Navigation Laws. American wages are higher; a higher standard is required as to seaman (coolie labor is practically excluded); seamen cannot be held for the return voyage; crews' quarters must conform to certain standards required by law. This, together with the original high cost of building American ships, makes the operating expenses for vessels of American registry so much higher that private capital is apt to find more attractive opportunity for investment in other fields.

**Suggested plans.** Various plans are suggested to overcome this. One is the familiar but unpopular expedient of Government subsidy; another is to have the Government carry a large share of the capital cost by selling the vessels at a low price; others consist of a variety of expedients among which are found proposals to reduce railroad rates for goods carried in American vessels; a highly developed organization under the Department of Commerce and maintained at Government expense whose special duty, in the words of the chief of the Bureau of Foreign Information,

would be "to give to the commercial public a steady flow of trade and industrial information, comprehensive, straight to the point, and usable."

That this is of the utmost importance is evident when it is remembered how completely the conditions of the pre-War trade have been swept away. From a debtor nation, we have during the War become a creditor nation to the extent of many million dollars annually. Before the War we always had a so-called favorable trade balance approximating \$500,000,000 annually. During the War this was reversed, the excess of our exports over our imports for the first three years alone being over \$8,000,000,000. In addition to this we loaned between seven and eight billion dollars to our Allies, imported over a billion in gold and bought back practically all our securities held abroad. We are no longer paying interest nor dividends to foreign holders. In the face of this how can Europe settle its future commercial balance if the old trade relations are restored? Even the carrying and insurance charges against us may no longer stand, in the view of our ability to take over this part of our foreign commerce ourselves.

It is plain, therefore, that we must think of our foreign trade in the reconstruction period in terms of imports quite as much as in terms of exports. We may have to import more in order to let the European pay in goods, freight, marine insurance. We may have to follow England's example and make investments where the debt is paid.

**Special problems.** These are only some of the problems confronting us in the reconstruction of foreign trade. Problems related distinctly to the international phases of the subject, as, for example, the proposals of the Paris Conference for a close economic alliance of the Entente, can only be suggested. The tendency toward the organization of commerce along lines intensely nationalistic is very strong.

Along with this is a natural desire for the maintenance of Government control and direction. The remarkable results achieved by the system during the War suggest its continuation in many quarters. Indeed, there are many who believe that to return to the individual competitive system would be courting disaster. If the plans of imperialist Germany for trade after the War had had an opportunity to be carried out, this would certainly have been true. The support and direct backing of its foreign trade by the Government of any one country would ultimately force other countries to adopt similar methods. On the other hand, it was partly at least in order to destroy this very system that the United States entered the War. Trade animosities, restrictive measures, economic penetration, "dumping," and exploitation were to make way, it was said, to friendly coöperation in effecting the flow of commodities from producer to consumer. That this involves a careful testing of the time-honored systems of high protection, preferential tariffs, spheres of influence, and the "closed door," in the light of international good-will and the ideals of the League of Nations, is evident.



VI

**AFTER-WAR POLITICAL PROBLEMS**

**FREDERICK A. CLEVELAND**

*Formerly Chairman of President Taft's Commission  
on Economy and Efficiency*

**CHESTER COLLINS MAXEY**

*Supervisor, Training School for Public Service, New  
York Bureau of Municipal Research*

**FREDERIC G. YOUNG**

*Professor of Economics and Sociology, and Director of  
the Commonwealth Conference, in the University of  
Oregon*

**CHARLES A. BEARD**

*Director of the New York Bureau of Municipal  
Research*

## XX

# NEED FOR READJUSTMENT OF RELATIONS BETWEEN THE EXECUTIVE AND THE LEGISLATIVE BRANCHES OF GOVERNMENT

FREDERICK A. CLEVELAND

“Justice” and “service.” Democracy reverses all of the old processes of thinking about government. It begins with the idea that society is an organic association of persons for mutual aid — an association of persons having common ideals, common controlling concepts of “justice,” common notions of right and wrong, which seeks to achieve common objects, and to do this through coöperation. It imposes on this concept the thought that government is society’s necessary corporate organ for securing coöperation. To use the language of President Wilson, government is conceived as “the executive organ of society . . . through which its will becomes operative, through which it adapts itself to its environment and works out for itself a more effective life.”

This idea cannot be better expressed than the preamble of our fundamental charter:

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution of the United States.

Following this preamble, the instrument speaks entirely in terms of organization — of human parts endowed with powers and of limitations placed on their exercise.

**Fundamentals of constitutional government.** *Ideals of*

social justice and *organization* for service! It is around these two factors ("ideals" and "organization") and these two concepts ("justice" and "service") that all political history and all democratic laws and constitutions are written. That is to say, the most fundamental thing in all government is a group consciousness of common ideals and common needs to be served — and conscious knowledge that these ideals can be realized and these needs satisfied only by some corporate or institutional means. This consciousness of common ideals and needs goes to the very well-springs of social life: to relations of the individual with his physical environment; to relations of individuals within the family; to relations of employer and employee; to individuals and to groups in whatever combination they may be formed. Upon common concepts of "justice" and of needs for "service," to be made real and enforced by the common judgment of those who are associated together, all organizations for the attainment of common ends and purposes are premised.

**Leadership and control over leadership.** The next fundamental, a factor which cannot be overlooked, is this: that *organization* can be made effective only through *leadership*. Some personality must be provided to serve as the mouth-piece of the associated membership — first to ascertain, then to express, its will with the voice of command. But to assure the membership that their common sense of "justice" shall not be violated, and that common purposes shall be "served," adequate means must also be found for making the personality of leadership subservient. The people must keep in their hands an effective means of *control* over their leadership, and through this, over their Government as their common organ or instrument of service. To be democratic, their Government must be the servant and not the master; it must be responsive and responsible; therefore, it



is necessary that the community, directly or through their representatives, shall have the power to take the sceptre of authority out of the hands of their chosen leader and transfer it to another when the acts or proposals of the leader do not have the support of a majority.

**Provision for change — Adaptation to environment.** To accomplish this, and to assure the people that their Government shall at all times be and remain democratic, are the intent and purpose of a constitution — a common agreement by and in which the provisions for *leadership* and for *control* are stated. This done, only one other essential need be taken into account; every charter, the aim of which is to assure liberty and justice, must provide for growth — it must recognize the need for change in the body politic to meet the needs of society as an organism living in an ever-changing environment. In addition to provision for leadership and for control over leadership, provision must be made in the constitution of a democracy for *amendment*.

**The present need for institutional adjustment.** Never before in our history have we been confronted with a greater need for a readjustment of the social order; never before with a greater need for change in our Government as the instrument of common service. This need was apparent before the War. The War has added new conditions; has created for society a new environment; has given to members a new vision which must affect the will and judgment of each individual. We are conscious that we are living in a new age; group consciousness has been quickened and correspondingly broadened; principles of justice, liberty, equality, and fraternity demand wider application. It is from this viewpoint that problems of political readjustment must be approached.

Fortunately in our institution-building provision has been made for growth. To readapt our machinery of "justice"

and "service" it is not necessary first to tear down before we can build up. All we have to do institutionally is to expand; there is no need for revolution. Our Government can respond to the call for readjustment by process of evolution. To do this, however, it is necessary that we make an intelligent survey; get in mind a clear notion of the machinery which we now have; find out in what respect it is ill-adapted — in what respect changes may be made the better to adapt it to present-day conditions. Having done this, we as a people may think and act with an intelligence that will enable us to readapt our machinery without institutional loss, conserving all that is good and useful, discarding that only which has become obsolete and ineffective.

Our present political machinery. Having in mind these two recognized fundamentals of effective organization, let us begin by fixing in our minds:

- (1) What provision we now have for *leadership*; and
- (2) What means of *control* we now have for making leadership accountable and responsible to the will of the people.

Responsible leadership not provided for. In making our appraisal of the instruments in hand for public service, let us begin with the Federal Government — the service organ of the American people as a whole. Let us ask ourselves, to whom, under our Constitution as it now operates, we look for leadership? We elect the President. Is he our national leader? Do we expect him to point the way? Do we expect him, as the one who is at the head of our public service, to come forward before the people and their representatives with plans and proposals for making the Government more effective — a better instrument for service? If we do, clearly the machinery of Government needs readaptation — the machinery which we have been using, the practical outworking of our governmental system, is opposed to such a view.

This conclusion no one has gainsaid:

There is no office set apart for the great party leader in our Government; the powers of the Speaker of the House of Representatives are too cramped and covered; the privileges of the chairmanships of the chief standing committees are too limited in scope; the Presidency is too silent and inactive, too little like the premier-ship, too much like a superintendency. If there be any one man to whom the whole party or a great national majority looks for guiding counsel, he must lead without office . . . or in spite of his office, as Jefferson and Jackson did. . . . We have in this country . . . no real leadership.

While the people naturally look to the President as the one who is to be held responsible for direction in the management of their affairs, the Constitution adopted in 1789 did not make this clear. It might have been read into the Constitution without inconsistency; but it did not impose such a specific duty on the President. It was not then clear that this kind of leadership was desired. The people then, as now, had a keen perception of the need for protecting their "liberties" and they adopted a constitutional means which in practice has proved their wisdom for effecting this purpose. They had not, however, at that time a keen perception of the need of a Government which could render "service." In fact, the prevailing note at the time was that the Government was a necessary evil; a thing to be put up with or endured. Why, then, have an executive at all? Why put in the hands of an officer powers that might be used autocratically? It was in this thought that for fourteen years (from 1775 to 1789) we tried to run our Government without an executive. During this time, however, we learned that such an arrangement was impractical. Through this experience the conclusion was reached that even a Government needed a head; therefore, we adopted a new charter which provided for a President, and we vested in him the "executive power." This was a concession to the need for *leader-*

*ship*. We also set up a Congress of representatives, in recognition of the need for a means of *control*, giving to this Congress the right to decide all questions of policy and a means of enforcing decisions against the Executive through "control over the purse."

But still we did n't think in terms of "service" needs. This was an idea that came to us gradually in later years. But it did not come soon enough to prevent an evolution of customs, rules of procedure, and statute laws by which the function of leadership was taken over by the branch of the Government which had been instituted for purposes of control; and having taken it over, having gradually invaded the field of administration, we divided initiative and again subdivided it among a larger and still larger number of standing committees as the demands upon the Government for service increased — as the business of Government became more complex.

Confusion of the principles of "leadership" and "control." The best description of our present machinery came from the pen of President Wilson some thirty-five years ago while a student of American politics at Johns Hopkins University. The first point made by him in that "best known and most authentic" description of the system as it actually developed under our Constitution is that our Government has come to be a "Government by Standing Committees," in which the two principles of *leadership* and *control* have been confused.

I know not how better to describe our form of government in a single phrase than by calling it a government by the chairman of standing committees of Congress. This disintegrated ministry, as it figures on the floor of the House of Representatives, has many peculiarities. In the first place, it is made up of the elders of the assembly; for, by custom, seniority in congressional service determines the bestowal of the principal chairmanships; in the second place, it is constituted of selfish, warring elements; for chairman

fighters against chairman for use of the time of the assembly, though the most of them are inferior to the chairman of Ways and Means, and all are subordinate to the chairman of the Committee on Appropriations; in the third place, instead of being comprised of associated leaders of Congress, it consists of disassociated heads of forty-eight "little legislatures" (to borrow Senator Hoar's apt name for the committees) and in the fourth place, it is instituted from Mr. Speaker, who is, by intention, the chief judicial, rather than the chief political, officer of the House. . . .<sup>1</sup>

Our legislation is conglomerate, not homogeneous. The doings of one and the same Congress are foolish in pieces and wise in spots. They can never, except by accident, have any common features. . . .

Only a very small part of its most important business can be well done; the system provides for having the rest of it done miserably, and the whole of it taken together done haphazard.<sup>2</sup>

**Invisible and irresponsible government.** This not only has given to us a haphazard way of doing things, but it has deprived us of all effective means of popular control. When leadership was taken over by the standing committees of Congress, the representative branch could not longer serve as an independent critic or as an open forum for inquiry, discussion, and publicity. Upon this point we quote from the same authority:

One very noteworthy result of this system is to shift the theatre of debate upon legislation from the floor of Congress to the privacy of the committee-room.<sup>3</sup>

It would seem, therefore, that practically Congress, at any rate the House of Representatives, delegates not only its legislation but also its deliberative functions to its standing committees.<sup>4</sup>

It is not usual for committees to open their sittings often to those who desire to be heard with regard to pending questions; and no one can demand a hearing as of right. On the contrary, they are privileged and accustomed to hold their sessions in absolute secrecy.<sup>5</sup>

<sup>1</sup> *Congressional Government*, p. 102.

<sup>3</sup> *Ibid.*, p. 81.

<sup>4</sup> *Ibid.* p. 82.

<sup>2</sup> *Ibid.*, p. 113.

<sup>5</sup> *Ibid.*, p. 84.

For the instruction and elevation of public opinion, in regard to national affairs, there is needed something more than pleas for special privileges. There is need for public discussion of a peculiar sort; a discussion by the sovereign legislative body itself, a discussion in which every feature of each mooted point of policy shall be distinctly brought out and every argument of significance pushed to the farthest limit of insistence by recognized leaders.<sup>1</sup>

There could, therefore, be no more unwelcome revelation to one who has anything approaching a statesmanlike appreciation of the essential conditions of self-government than just that which must inevitably be made to every one who candidly examines our congressional system; namely, that, under that system, such discussion is impossible.<sup>2</sup>

The conclusion of the whole matter is this, then, that public opinion cannot be instructed or elevated by the debates of Congress.<sup>3</sup>

With equal truth the above characterizations would apply to the several State Governments. There are many differences in detail, but fundamentally they are all the same.

**The electorate deprived of its right of final decision on appeal.** Another fact which we must face in appraisal of the political machinery with which we are now equipped is this: Not only have we deprived ourselves of responsible leadership and destroyed the reviewing critical and controlling powers of Congress as the representatives of the people, but we have made it impossible for the people to express their will on matters of public business through the electorate — those who voice opinion through the ballot. By experience we have learned that democracy without leadership is an impractical individualistic idealism. Leadership we must have, and since we have prevented the development of responsible leadership within the Government, the people have followed a personality that assumed to speak for them outside the Government. We have accepted the rule of an irresponsible common "boss." Both the men and the measures which come before the voter for his "yes" or "no"

<sup>1</sup> *Congressional Government*, p. 85.   <sup>2</sup> *Ibid.*, p. 86.   <sup>3</sup> *Ibid.*, p. 101.

are men and measures chosen or approved by the head of an "organization" conceived in selfishness and living by "spoils" — an organization which has prospered by making opportunity of what existed as an unrecognized but nevertheless real institutional necessity.

**The results of institutional perversion.** We have no better characterization of the system of irresponsible leadership and perverted methods of control developed in both National and State Government than that of Senator Elihu Root as he stood before the Constitutional Convention of New York and pleaded for a readjustment of the machinery of Government responsible to the people of that State in 1913. The same story might be told with respect to each State and our great Federal machine. The New York experience has the virtue of being concrete. Senator Root first laid down this broad principle — the same principle as that laid down by President Wilson:

The most important thing in constituting government is to unite responsibility with power, so that a certain known person may be definitely responsible for what ought to be done; to be rewarded if he does it, punished if he does not do it, and that the person held responsible shall have the power to do the thing.

From this the following general observation is made:

Under our system we have divided executive power among many separately elected heads of departments, who deal independently with standing committees of the representative body, and we have thus obscured responsibility, because in the complicated affairs of our Government it is hard for the best informed to know who is to be blamed or who is to be praised, who ought to be rewarded and who punished. . . .

Now, anybody can see that all these 152 outlying agencies, big and little, lying around loose, accountable to nobody, spending all the money they could get, violate every principle of economy, of efficiency, for the proper transaction of business. . . .

Senator Root also agrees with President Wilson in regard-

ing this as a perversion of the principles of our fundamental charter:

We talk about the Government of the Constitution. We have spent many days in discussing the powers of this and that and the other officer. What is the Government of this State? What has it been during the forty years of my acquaintance with it? The Government of the Constitution? Oh, no: not half the time, or halfway. When I ask what do the people find wrong in our State Government, my mind goes back to those periodic fits of public rage in which the people rouse up and tear down the political leader, first of one party and then of the other party. It goes on to the public feeling of resentment against the control of party organizations, of both parties and of all parties.

He also agrees with President Wilson in giving this lack of provision for responsible leadership as the reason for the development of irresponsible or "boss" rule:

Now, I treat this subject in my own mind, not as a personal question to any man. I am talking about the system. From the days of Fenton and Conkling and Arthur and Cornell and Platt, from the days of David B. Hill, down to the present time the Government of the State has presented two different lines of activity; one of the constitutional and statutory officers of the State, and the other of the party leaders; they call them party bosses. They call the system — I don't coin the phrase, I adopt it because it carries its own meaning — the system they call "invisible government." For I don't remember how many years Mr. Conkling was the supreme ruler in this State. The governors did not count, the legislatures did not count, comptrollers and secretaries of state and what not did not count. It was what Mr. Conkling said, and in a great outburst of public rage he was pulled down.

Then Mr. Platt ruled the State; for nigh upon twenty years he ruled it. It was not the governor; it was not the legislature; it was not any elected officer; it was Mr. Platt. And the Capitol was not here; it was at 40 Broadway; Mr. Platt and his lieutenants. It makes no difference what name you give, whether you call it Fenton or Conkling or Cornell or Arthur or Platt, or by the names of men now living. The ruler of the State during the greater part of the forty years of my acquaintance with the State Government



has not been any man authorized by the Constitution or by the law; and, sir, there is throughout the length and breadth of this State a deep and sullen and long-continued resentment at being governed thus by men not of the people's choosing. The party leader is elected by no one, accountable to no one, bound by no oath of office, removable by no one.

**“Patronage” and “pork.”** To restate conclusions: The results of taking leadership out of the hands of the Executive and of permitting “control over the purse” and over the approval or disapproval of Executive acts and proposals to pass into the hands of a large number of irresponsible standing committees has been to develop a unity of leadership outside of the Government — to put control over the Government as an instrument of common service into the hands of the “boss,” who gains his power and supports his authority through his ability to use this common service agency and the “control over the purse” relegated to these many committees to further the selfish interests of his organization — a plunder-bund that subsists on “patronage” and “pork.”

The sustaining powers of “patronage” were also graphically pictured by Senator Root in the address above referred to. It is given here because of his known conservatism and his personal knowledge both in the field of State and National politics.

How is it accomplished? How is it done? Mr. Chairman, it is done by the use of patronage, and the patronage that my friends on the other side of this question have been arguing and pleading for in this convention is the power to continue that invisible government against that authorized by the people. Everywhere, sir, that these two systems of government coexist there is a conflict day by day, and year by year, between two principles of appointment to office, two radically opposed principles. The elected officer or the appointed officer, the lawful officer who is to be held responsible for the administration of his office, desires to get men into the different positions of his office who will do their work in

a way that is creditable to him and his administration. Whether it be a president appointing a judge, or a governor appointing a superintendent of public works, whatever it may be, the officer wants to make a success, and he wants to get the man selected upon the ground of his ability to do the work.

How is it about the boss? What does the boss have to do? He has to urge the appointment of a man whose appointment will consolidate his power and preserve the organization. There has been hardly a day for the last sixteen years when I have not seen those two principles come in conflict. The invisible government proceeds to build up and maintain its power by a reversal of the fundamental principle of good government, which is that men should be selected to perform the duties of the office; and to substitute the idea that men should be appointed to office for the preservation and enhancement and power of the political leader. The one, the true one, looks upon appointment to office with a view to the service that can be given to the public. The other, the false one, looks upon appointment to office with a view to what can be gotten out of it.

Gentlemen of the Convention, I appeal to your knowledge of facts. Every one of you knows what I say about the use of patronage under the system of invisible government is true.

The *Congressional Record* is replete with descriptions of the use made of the power to control the purse, not to make an executive leader responsible but to strengthen irresponsible leadership. Mr. James A. Frear, Representative of the State of Wisconsin, puts it like this:

Dredgers, contractors, and other beneficiaries want work for private profit. They start things and urge local communities to get something from the Government for nothing. The local commercial or boosters' club, aroused to action, says to Representative Gettum from Grabville, "Bring home the money or don't come back." Every Representative is confronted with the utterance of Ellison, secretary of the \$50,000,000 waterway lobby. "Get what is asked or get out." So Representative Gettum begs the committee for a local survey. The committee shifts responsibility by putting the project up to Army engineers for approval. The engineers survey and reject. Mr. Gettum shouts for help and re-

election while engineers reëxamine Mud Creek and again repudiate the job. Under pressure he then corrals his State delegation, reaching to nine Congressmen and two Senators in the Cumberland River case. Statesmen show Army engineers where to jump off. The board reflects; the board sees new light and somersaults and approves. Then Mr. Gettum presents his approved contract to the River and Harbor Committee. Our committee finally agrees with Gettum — who has nine votes in his pistol pocket with two more in the upper watch pocket — and so we eat persimmons, declaring them good though puckery. Solemnly we are now pointed to the engineers' approval, and all doors to legislative criticism thereafter are forever closed. We pretend to expect that our subordinates, the engineers, will withstand pull, pressure, and power. Constituencies, animated by secret agencies, seek questionable aid from their Representatives and we pass it on to the engineer. How does he acquit himself?<sup>1</sup>

Representative Fitzgerald, the Chairman of the Committee on Appropriations of the House of Representatives, the Congressional watchdog of the Treasury, gives us this version of the same story of Congress's perverted use of the power of "control over the purse" under a system which does not hold the Executive responsible for leadership, and which puts the initiative in the hands of standing committees of the representative body where it may be secretly used to support irresponsible leadership:

This is what happens on public buildings in the Federal Government: Suppose I represent a community or district which has no large city; perhaps the largest town in it may be ten or fifteen thousand. I may have one or two communities like that. And none of them has a public building; but across the line in some other district, a town of equal size has a public building that cost \$50,000 or \$75,000. Now, I am a candidate for office and I go into that town and in my speech I announce that I propose to have a public building put there. In most of these places, unless you have a good-sized city, a thousand dollars furnishes ample funds for postal facilities, and they have an authorization to buy a site.

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<sup>1</sup> Speech of Representative Frear, *Cong. Record*, p. 1123, Jan. 10, 1916.

And they pay New York prices out in the sagebrush country for lots, and the Government buys post-offices. And then, in a community of eight or nine hundred, based upon the theory that there is a tremendous postal business, they will authorize a building for \$50,000 — nothing less than \$50,000 and up. Then, in order to get a better building, a member of Congress will pass a bill providing that there shall be a term of court held in this town, and maybe the court — the Federal Court — will sit there three terms a year, and maybe it will take two days each term to do all the Federal Court business in the town; and then because a Federal Court is to sit at that town, they need a court-room and additional facilities and they increase the amount to be expended in the building and some other governmental activity will be provided, and the result is that you can go all over the United States and find buildings costing from \$75,000 to \$150,000 in communities ranging from one thousand to five thousand people.<sup>1</sup>

**The demand of the time for responsible government.** The demand of the time is for “responsible government,” “visible government,” government which is “accountable” to the people and responsive to their will as expressed through their representatives, subject to appeal to a popular electorate. We have made use of the analysis of President Wilson, confirmed by Senator Root and others, to show what was the institutional growth under our Constitution that gave to us irresponsible government. Clearly the original intent and purpose was to make the Government responsible. That was what democracy meant to those who waged war against the arbitrary assumptions of George III.

We now know that under our Constitution we early began to drift away from our moorings. We know this not alone because of the expressed intent of those who gave to us our fundamental charter, but also because the people have complained of their irresponsible leaders, their bosses. We know that the people are ready to welcome a leadership in which they may have confidence. This has been demon-

<sup>1</sup> *Budget Systems*, p. 325.

strated by the following which gathered around President Roosevelt, despite the fact that the "rules of Congress" and the statutes imposed by it denied leadership to the President. We have still more convincing proof in the following which has gathered around President Wilson. We do not have to look beyond the events of the last few months to know that the hope of humanity and of democracy lies in leadership and that such powers as leaders possess rest on the confidence and good-will of the common people.

Not only do we know that responsible leadership is an essential to effective coöperation for service, but we are also convinced that John Stuart Mill was right when he said that the functions of the representative body were not to lead, but

To watch and control the Government [the Executive]; to throw the light of publicity on its acts; to compel a full explanation and justification of all of them which any one considers questionable; to censure them if found condemnable; and if the men who compose the Government [the Executive] abuse their trust or fulfill it in a manner which conflicts with the deliberate sense of a nation, to expel them [or be the means of expelling them] from office. . . . To be at once the nation's committee on grievances; an arena in which not only the opinion of the nation, but that of every section of it, and as far as possible, of every eminent individual that it contains, can produce itself in full sight and challenge full discussion.<sup>1</sup>

We are likewise aware that the process of readjustment must be a gradual one, based on our own experience, that there is

One rule . . . which may not be departed from under any circumstances, and that is the rule of historical continuity. In politics nothing radically novel may safely be attempted. No resultant value can ever be reached in politics except through slow and gradual development, the careful adaptations and nice modifications of growth. Nothing may be done by leaps. More than that,

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<sup>1</sup> Language in brackets, the author's.

every people, every nation, must live upon lines of its own experience. Nations are no more capable of borrowing experience than individuals are. The history of other peoples may furnish us light, but they cannot furnish us with conditions of action. Every nation must constantly keep in touch with its past; it cannot run toward its ends around sharp corners.

What, then, is the path of progress? What is the route to be followed? Shall we begin by amending the Constitution? Clearly this is not the first step. We may never need to amend the Constitution in order to establish and maintain responsible leadership and to provide an effective means of control — although after these essentials have been provided for it may be found desirable to amend the Constitution in order that appeals to the electorate may be more frequent and effective. It has been through the rules of Congress and the statutes passed by it that the Government has been made irresponsible; it is through changing the rules of Congress and changing the statute law that the path lies toward responsible government.

What may be done simply by changing the rules of Congress. To make quite clear what may be done by changing the "rules of Congress" let us picture Mr. Wilson, through his Cabinet, exercising the powers recently given under the Overman Act, or, relying entirely on his constitutional rights, coming before Congress with a proposal to reorganize our national bureaucracy to make the Government a more effective instrument for service. This cannot be done all at once, it must necessarily take time. But he makes a vigorous beginning — and in December next he comes before Congress with a plan, asking for support in the form of needed appropriations.

Congress the instrument of inquiry, criticism, and discussion. Then let us picture Congress also doing its part as a court of inquest, a jury made up of representatives of the

people. In special session called by the President in May they organize so that they may be prepared to criticize, discuss, approve, or disapprove the acts and proposals of the Administration; so that they may find out whether Mr. Wilson's Cabinet are men who are to be trusted as executives. With patriotic devotion to the principles of democracy, as a court of political inquest and publicity, they adopt a procedure such that their findings may be based on evidence. They organize a Joint Recess Committee on Finance and Administration, whose membership is made up of the most competent critics in matters of this kind in Congress, and whose chairman is selected from the Opposition — from among those who do not agree with Mr. Wilson in matters of State policy. Senator Chamberlain heads the committee assisted by James R. Mann and they proceed at once to get ready for the next regular session.

**A trial procedure developed.** Then Congress adopts a procedure which requires that Administration bills and the budget proposed by the President and his Cabinet shall first be taken up in a "Joint Committee of the Whole Congress," with the Cabinet present to present, explain, discuss, and defend. And in order that there shall be a real inquest — in order that fullest discussion and publicity may be given under constitutional guarantees of "free speech" and "free press" — they provide that the Opposition may be permitted to select special counsel for leadership in Committee of the Whole, in addition to the regular party whip. And to persons selected as counsel are given the same rights and powers as are given to members of the Cabinet, who are the President's advisers — thereby enabling them to manage the case of the Opposition against the Administration before the Committee of the Whole sitting as a grand jury.

The Cabinet has been preparing its case for weeks before regular session, at which the Administration bills and the

Executive budget are to be submitted. They have kept in touch with what has been going on — having in mind that they will be called before the bar of the House. They have met together, and in conference with the President have decided what “the Administration” will stand for as a matter of public policy. They have organized their leadership that they may be in readiness to take the floor — knowing that the Executive is to be held to account. And when Congress meets they are ready to explain and defend.

**The case of the people against the Government.** The Opposition is also prepared. The Joint Recess Committee on Finance and Administration under Opposition leadership, with power to subpoena witnesses and documents, both before and after Congress meets, has become familiar with every act, with each item of the estimates and each report on expenditures submitted by the Administration as a bill of particulars. They also have come to know what were the methods used by the Administration in estimating future needs. This Recess Committee has prepared critical reports on aircraft construction; on shipbuilding; on purchasing equipment and supplies. And Opposition leaders have become familiar with these reports.

**Special counsel selected by the Opposition.** Congress meets, and the Opposition announces as special counsel Mr. Taft and Mr. Hughes. Two or three weeks are given to Opposition counsel to prepare their case, get ready for the trial, and arrange the strategy of the inquest before the Committee of the Whole so as to bring out every fact and reason opposed to the plan of reorganization and the requests for support proposed. During this time each member of Congress and special counsel, through Opposition members, are also given a chance to ask for the preparation of any further statements of fact needed by them to understand the business on hand or present the case of the Opposition.



**The trial.** The day of trial comes; the press tables are crowded; the galleries are full. The Secretary of the Treasury, as the spokesman for the Administration, steps out and presents the case of the Administration in a budget speech giving an account of Executive stewardship, explaining the new program for which support is asked. Then, after he has finished, Mr. Hughes rises and in behalf of the Opposition interposes this demurrer: He moves "that the Committee of the Whole Congress now rise and report to the House of Representatives, and the Senate of the United States, against the application of the Administration for more funds." He argues "that this action be taken without going into the acts and plans of the Administration in detail, for the reason that in the opinion of the Opposition the Cabinet cannot be trusted: that they have been weak and wasteful in time of great national stress."

**The people as auditors.** The effect on the country of this proceeding is electric. In case the motion prevails, there is no recourse for the President other than for him to reorganize his Cabinet — appoint persons who together can command the support of a majority. The proceedings of Congress at once have a news value as great as a cable from Pershing that the German Army has again invaded the Western Front. And instead of the public being reduced to reading petty attacks of irresponsible persons on the Administration, such statements, whether made as reports of standing committees or by members attempting to attract attention to themselves by giving out "interviews," have no better standing than street gossip. First comes the hearing on Mr. Hughes's motion; then after this, if denied, in case a majority vote for a hearing on the Administration bills, the case of the Administration would be set for a definite time, to be tried on its merits. The budget and the reorganization program of the Executive is taken up line by

line in which an informal vote is taken in Committee of the Whole Congress on the proposals and requests for funds of each department separately. This is done in order that the Administration and each member of Congress, and the people, may know upon just what point these proposals and requests for funds fail to get the support of a majority. It definitely fixes responsibility and clarifies issues.

An end of "invisible government." Does all this seem fanciful? Then may it be said that by some such revision of "rules" the Executive might be made a real constructive force, a real responsible leader of the people, whatever might be the make-up of Congress, and the floor of Congress might become the means of informing members and informing the people as to what the Government is doing and what is proposed, early in the session. It would also have the effect of protecting the President and his Cabinet against irresponsible criticism and covert opposition of designing persons or groups seeking to use the machinery of government and the power of Congress to control the purse for selfish ends. Assuming that the proposals of the Executive for improving the service had in them a popular appeal, then every critic would be forced into the open; Congress would be given the fullest opportunity to know the facts and the Administration would have full opportunity to present its case in a duly constituted forum of the people. By some such organization and procedure as this there would necessarily be an end of "invisible government." By making some such change in the "rules of Congress" there would be an end of irresponsible criticism and "yellow-journal" publicity. It would enable the Executive to develop strong and able leadership and an effective organization for serving the people, by providing a means whereby he might at all times keep a majority back of him. It would establish a governing agency based on the confidence of the people by giving to

the people and their representatives the benefit of inquest, criticism, and discussion in a responsible representative deliberative body. It would provide the means for making the most able leadership which could be developed subservient to the will of a majority by making Opposition leadership effective as soon as it could command a majority.

Returning to our text, namely, that the end of democratic constitutional government is to establish "justice" based on concepts of liberty, equality, and fraternity, and to provide an organization for common "service." The thought which is carried by the above illustration is this: that the true meaning of the principle of "separation of powers" is that the function of the representative branch of the Government is to insure social and political justice by being able at all times to control the Executive; that the function of the Executive branch of the Government is to render service. This interpretation of the Constitution is based on knowledge: that the services to be rendered by the Executive branch of the Government, "to insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty," are such as to make it necessary to put into the hands of the Executive very great powers — powers which will make it possible for the Executive to command all human and material resources of the Nation, should the mutual interests of citizens call for it; that for this reason the chief danger to be guarded against is a self-willed or irresponsive use of these powers; that the effective, practical way to provide for able leadership and to make this responsive to democratic ideals is to provide an effective means of controlling it — so that those who are served may have an opportunity *to know*, and *to approve or disapprove*, what is proposed as well as what is done; and that the only effective means by which a broad society can have an opinion as to whether acts and propo-

sals are consistent with democratic ideals of justice and knowledge which will enable them intelligently to approve or disapprove is through some sort of trial procedure. The establishment of a trial procedure adapted to the ends and purposes of a democracy is the end and purpose of the representative principle in government — whether applied in the form of trial by jury in a court of justice, or in the form of a representative inquest into the acts and proposals of an Administration. Both political and social justice demand a procedure which will permit proponents and opponents, those who make application and those who resist, to come face to face before representatives of the people, before a trial or grand jury chosen for the purpose of “hearing” or inquest; they demand a procedure which provides for the appointment of counsel as aids to the established high court of public opinion in formulating and defining questions of public policy or issues on which the hearing is to be had, for the introduction of evidence to show the facts and conditions calling for action, for the interrogation and cross-examination of witnesses, for leadership in discussion, criticism, and appraisal; they demand also that the trial be openly conducted before the moot or meeting organized and conducted as a public form. Following this the vote of the representative body may be taken. And following this appeal may be taken to the people if either party is not ready to accept the decision.

By changing the rules of Congress in a manner to provide for a real trial procedure before Congress specially organized for the purpose, open at all times to those who are to be held accountable for management of the public service, — making it necessary for the Executive to come before such a court of inquest and discussion when seeking support or the further institutional adaptation; by giving to the representative body or court of inquest and the people the benefit of

counsel; making provision whereby the Opposition may organize its leadership and select special counsel; by giving to the Opposition ample opportunity to prepare for inquiry, criticism, and discussion — simply by first changing the “rules of Congress” in a manner to bring the controlling representative branch of the Government into harmony with the spirit and intent of the times, all other steps deemed desirable in the process of evolution of “responsible,” “visible” government would follow as a normal growth. And in this process of normal growth of the body politic to make it the more effective servant of society, to better adapt it to the ideals and spiritual demands of our democracy, the will of the people, public opinion, would decide just what form these further adaptations should take, and whether each next step should be statutory or constitutional change. But unless the rules of Congress are so changed the first essentials to responsible government are wanting. And the unwillingness of Congress to establish such a procedure for the trial of cases of political and social justice, their un wisdom in refusing to change their rules under which special privilege has gained the ascendancy, may prove the reason for forcing such a procedure upon them by mandate of the people, imposed through a plebiscite. All that is needed to accomplish this is leadership which has the vision to see, and the personality to make an appeal for a following.

## XXI

### THE RIGHTS AND DUTIES OF MINORITIES

CHESTER COLLINS MAXEY

The subject is complex. This chapter must be prefaced by the statement that it deals with one of those very elusive problems of modern politics to which insufficient study has been given. It is usually believed that the subject has been adequately discussed when the position of minority parties has been fully set forth; but if that were true, this chapter would be hardly worth writing. Not that minority parties are utterly unimportant, but simply that very often they are the least significant minorities that have to be considered in the operations of government. A recent writer<sup>1</sup> has restated the orthodox theory of political parties in language which reveals at once the impossibility of limiting a study of minorities to minority parties. "In general," says he, "the line of cleavage between political parties should never be on racial, religious, or social grounds. Each party, if such line be drawn, believes that the success of its opponents means its own oppression or extinction, and under such belief will fight to the death. And if such lines do not result in actual armed rebellion, yet a rancor is excited which inevitably impedes the Government in the exercise of its functions and is an ever-present sore that may spread to the whole body politic."

Now, of course it is obvious that racial, religious, and social issues have to be settled and that persons just as naturally differ on them as on corporation regulation, the tariff,

<sup>1</sup> Holt: *Introduction to the Study of Government*, pp. 154-55.

or imperialism, which the same writer suggests as proper issues for lines of party cleavage. And it must be apparent also that if racial, religious, and social issues do not get into party politics, they will come to the surface in some other way, and that every racial, religious, and social group will for its own benefit exploit to the utmost the protections and advantages which minorities enjoy under the Government.

It is not always possible, however, to exclude racial, religious, and social issues from party politics. Every well-informed person knows that the principal cohesive element in one of the two great parties of to-day is a race issue, although that truth is not heralded forth in the platforms of the party. Likewise persons who have followed closely the legislation of State legislatures or municipal councils affecting privately managed charitable institutions know that religious questions often obtrude in party politics. And as for social issues in party politics, they are legion. The tariff itself is becoming more and more a social question. Practically every problem which government touches has ever-increasing social implications.

It would be ludicrous after the foregoing review of conditions to spin out the old-fashioned and simple theory about the way issues are settled in a democracy through the regular processes of party politics. How issues are settled in a democracy we do not clearly understand any more than the ordinary person understands the psychological processes by which his own decisions are achieved. All of the formal steps can be traced with ease, but back of these play invisible and imponderable forces which commonly escape detection. In this unmarked realm minorities have their freest action. The present chapter does not pretend to turn the searchlight into this domain, but by setting forth the protections, advantages, and powers which minorities enjoy in the United

States it does aspire to mark roughly its boundaries and to stimulate thought about the part that minorities play in our system of government.

**Minorities strongly entrenched in United States.** There is no country in which minorities are more elaborately and meticulously cared for than the United States. The fathers were not the rapturous eulogists of egalitarianism and majority government that popular tradition has depicted; they confessed a fear of the tyranny of majorities quite equal to their fear of the tyranny of a despot, and they made no effort to conceal their desire to erect institutions which would invest minorities with unexampled security and power. In the meager accounts of the debates of the Federal Constitutional Convention of 1787 that have come down to us, there is abundant evidence that Hamilton, Madison, Gerry, Wilson, Gouverneur Morris, King, and other forceful leaders of the convention frankly espoused the cause of minorities and sought to shape the instrument for the benefit of minorities. In Number X of the *Federalist*, Madison contends that one of the chief virtues of the proposed constitution is that it is so devised as to make it impossible for an unpropertied majority to combine to oppress the propertied minority. Our State constitutions and municipal charters, either through imitation or because similar doctrines have prevailed, have accorded the same consideration to minorities, the Kentucky Constitution of 1792 even going so far as to declare explicitly that "absolute and arbitrary power over the lives, liberty, and property of freemen exists nowhere in a republic, not even in the largest majority."

While it is clear that the framers of the Federal Constitution and of the several State constitutions were not concerned about the danger from party majorities, because the early constitutions were framed before political parties in



the modern sense were born, it did happen that the expedients which they devised for the benefit of minorities played into the hands of the partisan minorities of later times. The result was many a fulmination and threat by the majority parties in the early years of our Government to change the system so as to dislodge from the Government a party that had suffered a political defeat. But nothing has been done, and the United States stands to-day as probably the most generous protector of minorities among the great governments of modern times.

**Constitutional immunities of minorities in the United States.** The Constitution of the United States and the constitutions of all of the States contain certain positive inhibitions against governmental action which, although they accrue to the benefit of individuals as such, are politically significant because they constitute the great bulwarks of minorities. Of such character are the customary bills of rights guaranteeing persons and property against interference except through due process of law, establishing and guaranteeing religious freedom, safeguarding liberty of thought and expression, insuring jury trial, protecting citizens from unwarranted invasion by public authorities, securing the right of public assemblage and petition.

While there has been and will ever be much latitude in the construction and enforcement of these constitutional guarantees, it will not be denied that they are a haven of refuge for political minorities. It could not be otherwise, because these guarantees stand as a last line of defense against governmental action. Again and again, according to the unshaken testimony of history, minorities driven to the wall have invoked the aid of the courts by asserting that rights which they derive from these constitutional guarantees (particularly from the due process clauses) have been invaded, and the instances are not few in which courts have sustained

the contention. There are occasions, of course, when these barriers are battered down and both their letter and their spirit disregarded, but they may be deemed exceptional. At the present time the guarantee of liberty of thought and speech is a conspicuous center of controversy. It will be conceded without question that liberty of speech may rightly mean one thing in time of peace and public security and a vastly different thing in time of war and great public peril. But even granted that there is a laxity of interpretation which permits the infringement of the protected right, there is no denying the advantage to the minority of having it embodied in the fundamental law. As a practical matter it is less dangerous to hazard martyrdom for a principle which is recognized (though indifferently enforced) in the law than for one which lies beyond the pale of legal sanction. However, it should not be inferred that an occasional lapse in the rigorous enforcement of such constitutional guarantees through the arrogance of an irresponsible bureaucrat or the prejudice of an unjust judge signifies that the right has become moribund.

There is still another class of constitutional provisions which operate as inhibitions against majority action in the oppression of minorities. In nearly all American State constitutions as well as in the Federal Constitution there are provisions forbidding the legislature to expel a member without the vote of an extraordinary majority, usually two thirds. The advantage of such provisions to small minorities is very evident. In the same way extraordinary majorities are generally required to initiate and pass amendments to the constitution, thus making it difficult for the majority to sweep away the protections of the minorities. Still other protections are thrown around minority groups in legislative bodies by the common constitutional provisions granting members immunity from civil or criminal action on account

of things said in course of debate in the legislature, and these afford security to the point of license.

**Expedients which insure minority representation.** Not only do minorities enjoy a sphere of immunities from governmental action; they also are favored in the matter of representation in the Government, especially in the legislative branch of the Government.

It cannot be said that the peculiarly American scheme of granting equal representation in the legislative body to geographical districts approximately equal in population originated in any desire to frustrate majority control of government. It grew up in a time when it possibly was the fairest and most practical method of apportioning representatives. But with the passage of time it has been perverted until now it is the parent of inequitable conditions that should not be tolerated. Population is a dynamic thing, and as it has grown and shifted the fairness and equity of the original apportionments have disappeared and it could be restored only by a reallocation of representation among the existing districts or a remodeling of the districts so that they would be substantially equal in population. This gave the majority in power a chance to perpetuate its tenure either by gerrymandering districts or by blocking redistricting and reapportionment disadvantageous to itself. Consequently we have in many instances in this country legislative majorities which represent a minority of the people, although in many such cases party control would not be changed by making the legislature representative of the majority. This condition is especially prevalent in State legislatures. Originally the rural sections dominated the legislature, but during the last thirty years the urban population has overtaken and passed the rural population in many States. To maintain their hold upon the State Government the country politicians have either blocked

reapportionment altogether or have resorted to the gerrymander. It is doubtful if there are more than two or three States in the Union which do not exhibit unfair apportionments of this character, and in many of them the result is actual minority rule. In some of these States, as in New York, party lines follow the division between rural and urban population, and this increases the bitterness and resentment as well as the evils which follow. In many of the States this sort of minority control is imposed in such a way that it seems almost impossible ever to overthrow it. Delaware is probably the most extreme case. In that State the apportionment is embodied in the constitution, and the constitution may be amended only by the legislature or by a constitutional convention apportioned precisely as the lower house of the legislature. In several other States the right of initiating amendments is monopolized by the unfairly apportioned legislature or by a convention apportioned in the same way, although the amendments must be submitted to the people for ratification or rejection. In Washington the constitution prescribes periodic reapportionment by the legislature, but as there is no way of coercing the legislature the constitutional mandate has been ignored.

Proportional representation is being urged as a panacea for all of the ills attributable to the inequitable district system, and it has made headway to the extent that it has been adopted in two recent city charters. This reform, in spite of the vehement disclaimers of its protagonists, is regarded by many as an entering wedge to let certain radical minorities into larger participation in the Government. The facts appear to be that proportional representation would probably result in the disintegration of the old political majorities and therefore would benefit certain groups which are now minority factions. On the other hand, if the expectations and promises of the champions of proportional repre-

sentation can be realized in practice, it is certain that it will produce far more representative majorities than we have at the present time, which would mean actual majority rule instead of pseudo-majority rule.

There are many types of proportional representation. The two most prominent ones are the list system and the Hare system. The latter is considered by most authorities on the subject to be the most perfect method, and it is the method which has the endorsement of the American Proportional Representation League. The fundamental elements of this system are preferential marking of the ballot by the voter combined with a scheme for transferring to other candidates the ballots which any candidate receives in excess of the number required to elect, in accordance with the preferences indicated on those ballots. The quota or number of votes necessary to elect a candidate is determined by dividing the total number of ballots cast by a number equal to one more than the number of candidates and taking as the quota the next whole number larger than the resulting quotient. This process is followed in order to ascertain with certainty the smallest number of votes a candidate can receive and yet be elected. In the transfer of ballots in excess of the quota precaution is taken to do exact justice to all of the candidates.

The only conspicuous instances of the use of proportional representation in the United States are in the cities of Ashtabula, Ohio, and Kalamazoo, Michigan, which introduced the system in recently adopted charters. Of course, the system has not been long enough in operation in either place to warrant definitive conclusions. Ashtabula has held two elections under proportional representation, while Kalamazoo has had only one. The Hare system is used in both cities.

Whether the district system can be universally supplanted

by the proportional system is doubtful. In cities where there is a tendency for national party lines to break down, and especially in cities under the commission-manager type of government where it is expedient to allow all factions a voice in the selection and supervision of the indirectly chosen manager, the proportional system seems to be an exceptionally fortunate plan. But in national politics, and to a large extent in State politics, so long as the two-party system still holds sway and the administration is independent of the legislature and directly elected, it is difficult to believe that the proportional system can ever make much progress.

Analogous to proportional representation and often classified as varieties of the proportional system are the several schemes of guaranteeing minority representation. Only two of these have ever been put into operation in the United States, namely, the limited-vote plan and the cumulative-vote plan. The principle of the former is to allow each voter to cast as many votes less one as there are persons to be elected. Thus it is impossible for the majority, unless it is an overwhelming one, to elect all of its candidates, and it is relatively easy for an organized minority to be certain of electing those candidates upon which it concentrates its strength. The only instance of the use of this system in the United States is in the election of judicial officers in the State of Pennsylvania. In New Jersey, Ohio, and Rhode Island attempts to introduce it have been defeated in the courts on constitutional grounds.

The cumulative-vote plan endeavors to accomplish the same result as the limited vote, but by a different method. The plan is to allow the voter to cast as many votes as there are places to be filled, but to permit him to distribute his votes among the several candidates or to "plump" them all on a single candidate. This latter option usually enables a united minority to insure the election of one candidate. In

Illinois, the only State where this plan is used, it has always secured minority representation and has proved an effective impediment against gerrymandering.

Still another method employed very widely in the United States to guarantee minority representation in the Government is the placing of constitutional or statutory restrictions upon the appointing power. This is very generally employed in the creation of boards, commissions, and other multiple-member administrative agencies. In one State with which the writer is particularly familiar, it is the almost invariable rule that not all of the members of the innumerable State, county, and municipal boards may be of one political party, thus insuring minority parties at least partial participation in the conduct of public affairs.

The means by which minorities wield power. The American system of government not only accords to minorities large immunities and favors them with large representation in the government; it is so constructed also that minorities are enabled to wield large political power, larger perhaps than under any other government.

The check-and-balance principle, which is the most salient characteristic of our plan of government, is fecund with possibilities of minority power. In fact it was largely to insure the exercise of power by minorities that the check-and-balance idea was introduced by the founders of our system. A brief review will show how the check-and-balance plan enables minorities to exert large if not decisive powers in our Government. The American system divides government into three branches, legislative, executive, and judicial — as distinct as three water-tight compartments. No member of one of these branches can at the same time be a member of the other, and the members of each are chosen at different times, by different methods, and for different terms. Therefore it becomes next to impossible for any

majority, unless it is an overwhelming one, to capture control of all of the branches of the Government at a given time. A majority may gain control of one, say the legislature, only to find itself balked in the executive or the judiciary, or both. Or it may win the executive and find the legislature and judiciary in possession of its opponents. Or, again, it may carry both the executive and legislature and be thwarted in the judiciary. And in not a few instances there is such a confounding and confusing of the voters by the intricacies of the system that it is doubtful if a single-minded, cohesive majority can have existed.

A few illustrations will clarify the discussion. In the recent elections (November, 1918) Mr. Wilson appealed to the voters for endorsement at the polls as a Democrat and asked that the Democratic Party be returned to power in order that his policies might be effectuated. The issues could not have been more clearly drawn. The challenge was accepted by the Republicans and the voters returned a decisive Republican majority, thus apparently repudiating Mr. Wilson. But Mr. Wilson did not thereupon surrender power. He had received his mandate from the people in 1916, and it is effective (legally) until 1921. Therefore, it is obvious that, although Mr. Wilson represented a minority of the people in 1918, he will continue to dominate one branch of the Government and will serve as an effectual check upon the majority returned in 1918.<sup>1</sup> The same

<sup>1</sup> *Editors' Note:* While the author's statement is above criticism, yet a widespread popular misconception induces the remark that no one knows how the people would have voted in the Congressional election if we had the British system and required the executive head of the Government to resign when a parliamentary election brought in an adverse majority. It is conceivable that, under these circumstances, they might have strongly endorsed the President. No more can one be certain that the recent election in Great Britain would have gone so strongly for the Government had it, like an American Presidential election, guaranteed its power for a term of years. In other words, Wilson might to-day be sup-



thing happened in many of the States, the governor being carried into power in 1916 along with the national Democratic ticket and in the 1918 election the Republicans regaining control of the legislature. Similar occurrences have been common in cities where the check-and-balance plan still prevails.

But this is only a suggestion of the anomalies that are possible. The separate branches of our system of government are so broken up that a majority may succeed in gaining control of only part of each of the branches of the Government. For instance, it was thought for several days after the 1918 elections occurred that the Republicans would not gain control of the United States Senate, thus making it impossible for the Republicans, who were without a doubt in the majority throughout the country, to dominate even one branch of the Government. Precisely this situation with the party alignments reversed occurred at the elections of 1910, and for two years thereafter the majority were estopped by a minority in control of the Senate and the Presidency. In the States where the executive is disintegrated, it is possible to have a similar situation within that branch as well as in the legislative branch. Take the case

ported by an overwhelming sentiment in his favor, Lloyd George might next week be voted down. Not that these things are probable, but they are possible. And any argument which ignores the psychological possibilities inherent in the two opposed systems is in that respect defective. When in the election of 1862 Lincoln and the Republican Party lost nearly the whole of their Congressional majorities, some of the great Republican newspapers declared that the election was a "vote of want of confidence" in the President. As a matter of fact, we have long since realized that it indicated merely a momentary peevishness on the voters' part, due largely to the hardships and to the cross-currents of sentiment developed by the war up to that time; due also, in large measure to an inability to see to the end of Lincoln's policies, especially the great idealistic policy of emancipation.

In other words, "it is never safe to say what would happen under a given set of circumstances if, in fact, the circumstances were really quite different."

of the last election in the State of New York; Mr. Smith was chosen governor by a decisive majority. But all of the subordinate executive positions were filled by Republicans, so that the executive branch of the Government is a house divided against itself. The same thing has repeatedly happened in other States.

The judicial branch of the Government very often represents a minority because as a general rule the change of personnel is slower than in the other branches of Government. Particularly is this true where the judges are appointed or elected for long terms.

It is not, however, merely the detached and dis severed character of the branches of our Government that enthrones minorities in positions of power, but the power that these disunited fragments have to restrain and check one another. If a minority is entrenched in the Senate of the United States or of any of the States, as is very often the case, it can utilize that vantage-point to impose its will upon the majority in legislative matters and upon the chief executive in administrative matters through its control over appointments. Or suppose a minority is in possession of the chief executive's position and nothing more. Such a minority can through the use of the veto force the majority to compromise its legislative program and can very largely dominate the administration. Or suppose the judiciary is out of sympathy with the majority, as has not infrequently been the case. Through the judicial power to construe the statutes and the Constitution the will of the majority may be entirely thwarted, even though that majority have complete control of the other branches of the Government.<sup>1</sup> One only needs to recall the many violent protests against judicial usurpa-

<sup>1</sup> *Editors' Note* : Jefferson's troubles with John Marshall will immediately come to mind as the classic example. The executive and the legislative branches were Republican while the judiciary was Federalist.

tion of legislative powers and the movement for recall of judges for confirmation of this statement. Finally, suppose even the case of a minority in control only of a few subordinate executive departments and the majority in possession of the rest of the Government including the chief executive — a situation very common in our States and cities. It is yet possible for such a minority by resistance and by official sabotage to defeat the will of the majority in the performance of the work of that department. There have been numerous cases in our States, cities, and counties of independent departments or boards defying and nullifying the will of the majority as expressed through the remaining organs of government.

It will not be assumed, of course, that the minorities referred to in the foregoing discussion of the check-and-balance system are party minorities only. Any sort of minority can as readily take advantage of checks and balances as can party minorities. The defeat of the Woman Suffrage Amendment in the Senate of the United States on February 10, 1919, is an excellent illustration in point. It was not a partisan minority, nor a racial, religious, or social minority, but a temporary group of extreme anti-suffragists which defeated this amendment.

But even when minorities are entirely out of control of all of the branches of government so that the check-and-balance principle avails them nothing, they still possess certain powers by which they can obstruct and thus often force the majority to compromise. Practically all of our fundamental laws, national, state, and municipal, reserve to minorities certain absolute procedural rights in connection with legislation. For example, a minority can usually demand a roll-call on the point of no quorum being present, or can demand a yea-and-nay vote on questions that must be hurried to passage. Likewise the minority have the power to prevent

the suspension of the rules, which often near the end of a session is imperative in order to facilitate the passage of necessary legislation. By resorting to these and other procedural rights minorities very often gain important concessions from the majority.

Various forms of the popular referendum (specifically, the initiative, the referendum, and the recall, all of which in essence are referenda) have been introduced in many States and municipalities for the purpose of offsetting the advantages which the check-and-balance system accords to minorities. Theoretically these devices enable the majority to govern because they furnish the means whereby any issue can readily be referred to popular vote, and within certain limits the theory is sound. Nevertheless they are in reality decidedly beneficial to minorities. Without doing violence to the common arguments which show how they place in the hands of a popular majority the power to direct and control the Government, it is possible to explain how they are at the same time of inestimable value to minorities which have learned how to use them intelligently.

Persons who have had first-hand experience with the initiative, referendum, and recall will find nothing puzzling about the position taken in the preceding paragraph. It is based upon several quite obvious facts. In the first place, it is very significant that all of these direct government expedients may be set in motion by very small minorities. Where five, eight, ten, or even twenty-five per cent of the voters possess the power by petition to force a popular vote, whether it be on a measure framed by them, or on a measure passed by the legislature, or on the removal of a public officer, they possess no small amount of political power. As a matter of plain truth they have more power to force action than is enjoyed by any but the most overwhelming legislative majorities. Is not this a great strategical advantage to

minorities? Take, for instance, the case of the single-taxers in Oregon. In the State legislature it is next to impossible for them even to get a hearing, let alone the legislature to vote on their proposals. But they have had no difficulty through the initiative in getting a measure before the people at virtually every general election. They have never won, to be sure; but they have always had a chance to win, and still better a chance to carry on the most effective kind of educational propaganda in behalf of their doctrines. Many measures (woman suffrage, workmen's compensation, and prohibition being on the list) have finally won out because of persistent educational campaigns conducted largely through the initiative. There are, of course, a few States which place restrictions upon defeated initiative measures to the effect that they may not reappear upon the ballot for four years or more unless there is filed a petition containing an exceptionally large number of signatures; but in no case is the number of signatures required to reinitiate immediately equal to a majority of the voters. Moreover, there is no effective way to prevent disguising a measure so that it can get by as a new measure.

The referendum in some ways is even more helpful to minorities than the initiative. It is common knowledge in States which have the referendum that the mere threat to start a referendum against a measure which the majority propose to put through the legislature is generally sufficient to extract important concessions to the minority. It is the sword of Damocles to escape which the majority are willing to do almost anything except to sacrifice the fundamentals of their measure. Then again, if the minority have been ignored and overridden in the legislature, an appeal to the people is always possible, and even though they may not win on such an appeal they can harass the majority and defer the enforcement of the legislation.

The recall has not been so effective a club in the hands of a minority as many have supposed that it would be, because a successful recall petition always means a special election with all of the attendant expense, and the people do not enthusiastically sign such petitions except in extreme cases when great moral issues can be raised. To recall officials for incompetence or extravagance is very difficult because the recall is often a greater burden upon the tax rate than official incompetence and extravagance. However, the recall can be and has been used by vindictive minorities to annoy vigorous and capable officials who may be enforcing the law to the disadvantage of such minorities.

**Are we not governed by minorities?** The reader who has followed the discussion to this point doubtless has wondered whether as a fact government in this country is not largely in the hands of minorities. That is a question which will occur very naturally, and it is one which cannot be answered categorically. There are many facts which point to an affirmative conclusion, and yet occasionally we witness in this country demonstrations of popular power over government that are difficult to parallel elsewhere in the world.

Large masses of people, as James Madison long ago pointed out, do not move "spontaneously and universally." Rather do they lie inert and passive until aroused and directed by leaders whose ideas have appealed to them and whose guidance they have accepted. Principles, therefore, are evolved and programs are formulated and initiated, not by the people *en masse*, but by the few who are or who aspire to be leaders. The function of the mass of people is simply to hear the claims and contentions of the rival groups which seek the leadership and then to render final decisions of acceptance or repudiation. These facts are fundamental to all human enterprises which involve the action of large numbers of people and they are amply confirmed by experience.

In politics, and particularly in party politics, they are exceptionally obvious. The rank and file of a party have nothing to do with the initial steps by which the principles of the party are decided and its program of action laid out. The rank and file only support or reject (when the machinery of the party is such that they can) the leaders who have decided on principles and formulated platforms. And in local government where regular party politics play little or no part the initiative is invariably in the hands of rival groups which contend for leadership on local issues, and which develop programs and carry them before the people for decision. In sum it can be said that no political action on the part of large masses of people — popular majorities, in other words — is ever carried to successful culmination except through the agency of leadership which conceives policies, formulates its policies into a program for action, wins popular approval of such program, and then with the sanction of the people executes this program. This fundamental truth furnishes an explanation of the fact that no system of political organization which impedes or fails to make provision for the free play of political leadership can be thoroughly and continuously responsive to the control of popular majorities.

The American system of government, unhappily, is organized on a plan which thwarts political leadership within the government and accords it no recognition without the government. In a preceding section it was noted that, with the single exception of municipal government which has been subjected to drastic recasting during the past two decades, the American system trisects government into executive, legislative, and judicial branches which are independent and self-contained entities and yet are endowed with power to check and restrain one another. While this scheme certainly has realized the hopes of its inventors in that it has

effectually prevented tyranny, it has also proved to be a curb upon popular government because it defeats the proper functioning of popular leadership. Headless government must ever be leaderless government, and headless government is bound to result from the effort to set up three coördinate and independent heads. The chief executive, of course, is always recognized as the ceremonial head of the government, but this does not necessarily signify actual headship. At times certainly the chief executive is clearly the people's leader; but at other times the leadership is quite as clearly with the legislature or the judiciary. But always the branch which at a given time has the confidence of the people has been obliged to labor under the limitations imposed by the other branches of government, which have largely nullified its ascendancy.

Consider now the indubitable perplexity of the American voter who strives to cast his ballot so as to put the Government into the hands of leaders who will carry out the policies which he favors. At the head of the ballot will stand the names of the candidates for the position of chief executive (President, governor, or mayor as the case may be), and here the voter will experience little difficulty in making a selection. But the trinitarian plan according to which governmental powers are distributed makes it necessary that his choices for legislative and judicial positions shall be such that they will harmonize and coöperate with his choice for chief executive, or else his vote may be futile. Parties endeavor to facilitate this and actually do render great services by presenting to the voter party tickets. The weakness in this system is that party tickets very often are constructed so as to carry out the wishes of party bosses rather than the wishes of the rank and file of the party. Moreover, many considerations enter into the choice of a member of a legislative body or a judge which are not of a partisan character.



For instance, a person voting for a representative in a legislative body is often quite as much concerned about the candidate's stand on the prohibition question or his success in getting pork-barrel appropriations as in his partisanship, and he will often prefer to give his vote to a member of the opposing party who is "right" on these and other non-partisan issues rather than to a member of his own party who will generally be in harmony with the chief executive.

So it often comes to pass that the people vote for persons to fill the various executive, legislative, and judicial positions without intending to accord undisputed leadership to any one of the three branches of the Government. The result is the type of governmental deadlock which is so common in the United States. Everything comes to a standstill except necessary financial legislation while executive, legislature, and sometimes the judiciary indulge in a political Donnybrook Fair which furnishes plenty of entertainment for the spectators, but accomplishes nothing for the benefit of the people.

**Need of the short ballot reform.** But if such results follow simply because of the tripartite separation of powers in our Government, how greatly must the confusion be aggravated when in addition to this the people are expected to have sufficient discernment to vote for every public official from pound-master to President! The limitations of space forbid the introduction of the short ballot arguments at this point, but they may be summed up in the statement that it has been positively proved that the more officers the people are obliged to vote for the more blindly do they vote. Consequently when there is a long list of officials to be voted for, the people choose not leaders but names; and where they thus select the subordinate officials, these subordinates become virtually independent of their superiors so that the officials who are at the top and should be responsible for the

conduct of the Government have no control over their subordinates. And the result is not merely the utter breakdown of popular control, but also a condition which makes administrative economy and efficiency wholly impossible.

After this description of the conditions which hinder popular leadership in national, state, and local government it is easy to understand how minorities can take advantage of the exceptional protections and powers which they enjoy under our scheme of government to play so large a part that it seems to many that we are governed by minorities. Indeed, it probably is not an unfair statement of the case to say that in very many matters the course of the Government is absolutely determined by minorities and that in very many others minorities are able to prevent action, but that when a big issue arises about which the public are fully informed and concerning which public feeling runs high, it is possible for the majority to sweep aside all opposition, take possession of the Government, and put its program into effect.

**Conclusion.** "Reconstruction" is the catchword of the day and is the theme of this book. It may mean much or it may mean little, but there is danger that it will mean nothing in a concrete way that determined minorities set out to prevent. Doubtless a considerable majority of the American people are in a mood favorable to the introduction of many reforms under the guise of "reconstruction," but the people are inert, inarticulate, and largely leaderless in this matter. A few definite "reconstruction" programs have been advanced from both official and private quarters. But they have excited hostility and minorities are ambushed at strategic points to defeat them. Consequently the hope for a thoroughgoing reconstruction is conditioned upon the development of an irresistible wave of public sentiment. And this leads to the parting suggestion that probably the

most practical sort of reconstruction that could be undertaken would be a reconstruction of our political institutions so as to render impotent irresponsible minorities and to facilitate efficient, economical, and popular government.

## XXII

### THE COMMONWEALTH CONFERENCE <sup>1</sup>

FREDERIC G. YOUNG

**Continuous adjustments called for. The "Victory Program" of the League to Enforce Peace, superseding its**

<sup>1</sup> *Editorial Note:* The Commonwealth Conference is an invention of the author of this chapter. Ten years ago Professor Young, who is head of the Department of Economics and Sociology in the University of Oregon, promoted and carried to a successful issue the first annual conference for the consideration of problems which were of vital concern to his State. It was aptly called by him the *Commonwealth Conference*. In that and succeeding conferences a considerable number of fundamental problems were discussed, always under the guidance of the best available information, and usually in the spirit of the scientific inquirer. Education, good roads, taxation, marketing, irrigation, water-power development, State and national conservation policies are a few of the subjects which have engaged this unique forum. It has always been the aim, while working for ideal ends through the approximately scientific solution of each specific problem, to give every interest concerned its "day in court." Thus, in the discussion of workmen's compensation and employers' liability, the participants would be representatives of the labor group, of the employers' group, and of the public, which is always the third party in interest. The parties meet in the conference as guests of the University on terms of perfect equality, and under every moral obligation to treat one another with respect. The subject, when brought forward for discussion, is usually not yet in the acute "joined issue" stage, and therefore minds are more likely to meet on the focal governing principles than they would be when passion or aroused self-interest produce their inevitable aberrations.

The leading citizens of the State have become deeply interested in the conference as a practical, working institution which counts. Committees made up of scientific specialists, and men of practical affairs have in many cases studied particular problems between conferences. Ultimately, many of the questions studied and discussed have come up in the State's legislative program and then the value of such previous all-sided discussion has been sharply revealed.

The Commonwealth Conference, directed by the State University, fills

"Original Proposals," registers an advance of the thought of its framers which is fairly symptomatic of the new attitude and tactics advocated in this paper for effecting the continuous political adjustment demanded by the fleeting course of material change in modern conditions of life. To insure peace was the sole intent of the methods and machinery proposed by the League when organized on June 15, 1915; but in November, 1918, its leading aim was that of "promoting the liberty, progress, and fair economic opportunity of all nations and the orderly development of the world." A shift by the League authorities from a view of international relations as static to one that regards them as dynamic is here indicated, and in accordance therewith the "Victory Program" declares that suitable methods and machinery through which "progress can be secured and necessary change effected without recourse to war" are essential. The methods and machinery in the original proposal were true to the time-honored American practice. "Questions" were to be allowed to develop a more or less critical situation when recourse was to be had to a "judicial tribunal" or a "council of conciliation" to adjudicate according to the principles of formulated law. In the recent proposals, however, special

a distinct field. In its purpose it is of course similar to the more general conferences held under the auspices of definite groups like the Academy of Political and Social Science of Philadelphia. But being limited as to its political constituency, and sponsored by a university definitely related to that constituency, whose problems it is in duty bound to study, the Commonwealth Conference can be made a highly effective agency for securing the orderly progress of our American States. Already much interest has been shown in the Oregon plan, which appears to recommend itself as an important mode of utilizing the institutional resources of the State for the purposes of democracy.

In this chapter Professor Young gives the reader an exposition of the philosophy of the Conference rather than an account of what has been accomplished by it. This philosophy is quite as applicable to the international conference provided for in the League of Nations as to the Commonwealth Conference.

solicitude is expressed that the methods and machinery do not "defeat the forces of healthy growth and changes" affecting affairs of common interest. A representative group of American publicists, the executive committee of the League, thus urges something in addition to judicial procedure, or process of law, for mediating adaptive growth even in international relations. Much more should we emphasize the need, for the more plastic conditions within a nation, of appropriate agencies for fostering and guiding the adjustments necessary for peaceful development. The League's new platform is thus a signal renunciation of the attitude that looks backward for its ideals and depends upon rigid processes of adaptation for encountering the present-day on-rushing problems of political adjustment. It shows that the pleadings of forward-looking publicists for such fundamental reorganization of our political faith and procedure as will enable us to realize permanently progressive democracy promise not to have been in vain. Furthermore, the framers of the League's new platform by the methods and machinery proposed would bring the League's procedure into accord with the tentative method in the character of the social process as a whole as this method is being represented in present-day social philosophy.

Such adjustments are now too difficult and uncertain. The need of greater readiness and certainty in arriving at decisions in matters of vital common interest, through political agencies, and greater facility in initiating policies that will work, are probably the prime causes of concern in the newly aroused world desire for reconstruction. John Dewey identifies, I believe, one of the bases of the situation as it is, with its aggravated maladjustments. He notes that "physical knowledge and consequent control of physical force has outrun social knowledge and its techniques. The recourse of a courageous humanity is to press forward

in the latter until we have control of human nature comparable to our control of physical nature." The other main factor in bringing about the critical situation in which the advanced nations of the world find themselves is the rising spirit of democracy in the heart of mankind. As we hope and expect that humanity's rate of progress in securing command of the forces of nature will not be retarded, nor its desire for a more nearly true democracy decrease, but rather that both will be intensified, the need of the more efficient functioning of public intelligence with its political adjustments will be increasingly urgent.

The individual and the group should coöperate freely. It is *facility of communication and association* through which the achievement of the individual and the group has a kindling effect upon all, both for material and social or political advancement. Helpful insight into the nature of our present dilemma and practical suggestion for relief from it come from recognizing that fact. Lack of such facility now works disparity and trouble. Reconstruction and relief will come through an instrumentality that will gear up to an accelerated pace the now lagging political achievements. It will mean a fuller use of the resources in association to this end.

Such coöperation leads to decision and to action. Too slowly and too blindly has the public mind groped toward decision and action. From this lumbering pace resulted the ever-widening disparity between the type of effective agencies for the sure and easy adjustments demanded by the crowding numbers, the larger political groups, and the accelerating press of events brought about by material achievements, and the system of political tactics and organization we have continued to rely upon. A crisis for civilization impends. The situation in which we find ourselves is, in its broadest outlines, not unlike what we have when we have increased the weight of our car and the horse-power of its

engine and are forced to a faster schedule of travel. The skill of the driver, his steering apparatus, and headlights must be improved accordingly, as the road ahead is thronged with increasingly complex conditions to be safely handled. Our problem is that of bringing our system for managing our collective interests up to competency for administering democratically the intricate, all-involving relations of interdependence of twentieth-century life. Transition crowds upon the heel of transition. And a higher degree of social justice is demanded by the public.

The new time requires new social agencies. The democratic mind of our day must in some way meet this issue. The increased numbers, the more rapid course of change, and the more intimate and more widely interrelated interdependence that impose this burden are inexorable conditions that can be escaped only through relapse toward barbarism. They must be met, controlled, and utilized. An immediately more efficient functioning of public intelligence alone will meet the requirement of the times. The exigency of the situation will not wait upon the slower means of education or of the selection of a higher type of individuals through a system of eugenics. A better mobilization of the ideas we have and more adequate synthesis of these into collective judgments must be our reliance. It means transfer also of a larger proportion of thought from private to public interests. It means the kindling of zeal, and development of insight that come from deliberation of the best minds in an effectively organized system of conference. Such an agency must be devised for developing rational policies for transforming menacing situations due to the sweep of material achievements into opportunities for real progress.

The virtue of adequate public discussion illustrated by Athens. History affords a brilliant example of most effective marshaling of the powers of a people in promotion of



their common interests. The Periclean Age of Athens exhibits the high-water mark of civilizing efficiency attained in a democratic polity. The distinctive political characteristic of the Athenians is expressed by Thucydides in the words he has Pericles use in the Funeral Speech: "We differ from other states in regarding the man who holds aloof from public life, not as 'quiet,' but as useless; we decide or debate, carefully and in person, all matters of policy, holding, not that words and deeds go ill together, but that acts are foreordained to failure when undertaken undiscussed. For we are noted for being at once most adventurous in action and most reflective beforehand." Can it be doubted that this peculiar trait of the Athenian, of largest and well-ordered participation in public life, was not the most potent factor in making his city-state the finest exponent of democracy and in enabling its people to achieve the most brilliant civilization the world has witnessed? As Zimmern in *The Greek Commonwealth* puts it: "The Greek City-State differs from our modern democracies in enlisting not all but merely a far larger proportion of its representatives in active public work. Whereas with us [England], however democratic our constitution, the few do the work for the many, in Greece the many did it themselves."

It is not alone adult suffrage, or the initiative, referendum, and recall that will bring democracy to its own. Good as they are, these will not suffice to insure permanent peace, harmony, enlightenment, and happiness. "Voting is only the trench warfare of politics, after all." It is through the serious and steady coöperation of large numbers of its citizens, under the most effective organization in the actual work of government that ideal results can be hoped for. That is what the Athenians relied on to make their democracy shine for all time.

The essential part of their public work was discussion.

“Acts are foredoomed to failure,” Thucydides held, “when undertaken undiscussed.” In discussion Bagehot identified the prime requisite for continuing progress. Discussion as it was provided for under the Athenian constitution constituted the differentiating condition that brought about the unparalleled flowering of the Periclean Age. Is it not, then, reasonable to conclude that the largest participation by the best minds in well-ordered and purposeful discussion is what will bring wisdom and efficiency to our twentieth-century democracy.

Rightly ordered discussion a chief reconstruction aim. A chief aim in political reconstruction, then, should be to get the largest possible number of the best minds to apply themselves seriously to public affairs under an organization and procedure which will insure their highest efficiency. If democracy is not safe under such conditions it will probably have to be counted impossible for the world of nature and man as they are to-day.

Discussion is, of course, only the means, having wisdom and right conduct as its ends. Conducted with single-minded purpose it inevitably leads to such action. Man's besetting weakness is to act without saving reflection. Thucydides' claim for the Athenians was: “For we are rated for being at once most adventurous in action and most reflective beforehand.” To incite, guide, and reinforce the impulse to act in the public interest are the normal outcome of rightly ordered discussion.

How secured? The conference method. A prime need for progressive promotion of the public welfare would then seem to be an organization of the forces of public intelligence, adapted to twentieth-century conditions, that will vitalize discussion, sustain it, and conserve it to highest efficiency. The principle needs sponsorship. The sponsor would have the power of discernment to select projects that

are most timely as to relative importance, urgency, and availability in arousing response in public interest and participation. Through impartiality, sincerity, and prestige for intellectual and civic leadership it must inspire confidence. This agency would thus arrange a program of topics, secure the real leaders to present them, and insure progress through making the base of departure the demonstrated results of experience and research. Each project of policy would be pressed forward through directed consecutive effort and with so clear analysis of the factors involved as to insure realization. Such an agency with its system of consecutive conferences would develop to a hundred per cent of efficiency the available character and intelligence of the citizenry.

Why it is a hopeful method. The basis for the expectation of large results from an agency conserving fully the virtues of discussion rests upon the following factors supplied by it: The resources of leadership and constructive thinking would be called into use and developed. Projects for promotion of public welfare would be brought into the focus of public interest while yet in a plastic stage. Questions can be discussed in conference one, two, or five years before they become political issues. The public mind is then open and every consideration, because of absence of bias, gets due consideration. The proposal may then be molded to serve most vitally the general welfare. Under the carefully ordered discussion, which it would be the sole purpose of such an agency to provide, far more nearly all pertinent considerations would be brought to bear than if the issue were left to the present more or less haphazard course. Unsponsored discussion, or that which is carried on through the press alone, would be subject to limitations as to incisiveness, fair-mindedness, and thoroughness. Moreover, such association in discussion, in which those

engaged are intent on the promotion of the public welfare, would kindle devotion to civic ideals and would lead to concert of action for realizing the purposes in hand.

The university is society's agency for promoting conferences. Having determined the attributes that must inhere in an agency competent to realize from discussion in our modern democratic groups its full potencies, next in order is the identification of the social agency or institution that will fill the bill. What we require involves an application of the principles of social psychology. This should appeal as a challenge to the students of the social sciences in our universities. Until recently, however, the prospects of such aid from the exponents of the social sciences were very dubious. In the eighteenth and early nineteenth centuries social philosophy was intellectualistic, but also individualistic. It believed in the efficacy of intellectual forces, but scouted the idea of securing increased light through association. More recently the strongly anti-intellectualistic view would have negated the idea of an agency of adjustment to be realized through the organization of thought. Fortunately for us to-day our social science has attained the pragmatic point of view in its attitude toward public affairs. As our university faculties of social sciences are our pioneer agencies in social research, why should it not prove feasible for them, in an association with the élite of the citizenry, and the practical experts, to assume the rôle of applying approved principles of social science for effecting the sadly needed political and social adjustments? The social science departments of the universities, municipal, state, and national — should this be realized — if well adapted to fulfill their normal functions, should succeed as the agency, in the respective spheres of these several institutions, to vitalize discussion as democracy's main hope. We must realize through their initiative the "Daniel come to judgment."

Why it has hitherto evaded that duty. With all their inherent fitness for this function it still is not strange that an adequate system of conferences has not generally been instituted by the universities to meet democracy's crucial need. Universities are more or less in the grip of the traditional. Furthermore, the body of principles of social and political science that were validated were until quite recently of *laissez-faire* import. The more constructive social science of the present day has among English-speaking peoples extreme youth. The public affairs to be adjusted are generally exceedingly intricate. The modesty of the social scientists, and the deprecation by the public of self-assertion on their part, were quite natural. It is high time, however, that this deadlock was broken. As has been indicated, the situation developed by the speed of material achievements, by the growing numbers in the democratic unit group, and by the spirit of independence in the membership has overwhelmed the resources of empirical, unaided "trial-and-error" processes of political adjustment.

Benefits the universities would reap. The institution of a conference organization for availing discussion in our democratic social order is not alone a pressing duty, but it is also a most inviting opportunity for any agency. To have the rôle of insuring the competency of the democratic mind involves the highest possible social responsibility. Such an agency is the engineer that brings to realization the achievement that makes democracy safe. As President Wilson remarked in opening the discussion in the Peace Conference on the League of Nations — "We can set up permanent processes. We may not be able to set up a permanent decision." This adequate conference organization would furnish the permanent process without which the future has little for humanity.

The assumption by our universities of this rôle of direct-

ing Commonwealth Conferences means primarily enlisting the intimate active coöperation of the real élite and the practical experts from among their respective constituencies. Experience extending through ten consecutive years in one Western State has demonstrated that there is here an indubitable and unique resource.<sup>1</sup> It is no doubt as fully available in every other American Commonwealth. It will on trial be found that the usefulness of the most desirable citizens has not been realized to anything like its full measure. These are cherishing more or less unconsciously and as yet unavailingly the ambition of making the distinctively human factor count more largely and more effectively in accelerating the pace of progress. They will receive with eager welcome the challenge from the municipal and State universities to coördinate their powers with the capabilities of the universities toward realizing the best possibilities for their Commonwealth.

The institution of a system of Commonwealth Conferences under the auspices of the universities means a joining of the forces of all in the State who are devoted students of human life and who see the social processes as a whole. The university contingent reaches its clearer insight mainly through its activity in collecting social data and in organizing and disseminating social knowledge. Those from the outside who join in coöperation with the university effort secure their clear consciousness of the complication and interdependence of human conditions through the regular exercise of their powers of interpreting the meaning of the facts of experience. Their desire "to live in the whole and the good" leads them into this light.

The discussion of projects of adjustment in Commonwealth Conferences, with all participants intent on the largest advance for the organically related whole, will also

<sup>1</sup> Oregon is the State referred to.

conserve and guide the distinctively particular movements, and will stimulate special enthusiasms in so far as these are not exclusive and intolerant. The one-idea projects will become really serviceable through being marshaled into their normal positions and functions. The understanding will become general that "no isolated scheme can be a good scheme and that real progress must advance all along the line."

Such Commonwealth Conferences for the first time provide a definitely designed agency and plan of campaign consonant with the fact of the organic character of human affairs. In the conference agencies we have for their respective jurisdictions the unified organization and adapted direction analogous to that which the Allies provided for their military exigencies when General Foch was placed in supreme command of their combined armies. Similar effectiveness for attaining results may be anticipated. The drives in particular sectors will not lose in energy, but each will contribute its full effect for the general advance along the whole front.

Through association in these discussions of the Commonwealth Conferences with the student workers in the social sciences and with the administrator of public affairs, those on the outside directing the great currents of energy in commerce and industry will come to see the sources of larger returns through harmony on the higher plane of coöperation with the city and the State as representatives of the public interests. As Charles A. Beard says, in speaking of the needed closer alliance between the city and industry: "The industrial manager can no longer ignore his city government. The problem before him is of securing a well-trained and efficient labor supply and escaping the disastrous influences of a high labor turnover. The city government concerns him — the effect of its market and transportation system on

the cost of living, its housing conditions, its schools, its parks, and recreational facilities, and its efficiency in all the arts of providing right living conditions. The city government is, therefore, a vital concern of organized labor and industrial leaders. How long must we wait for them to become aware of the obvious fact? Industrial and labor organizers must emancipate themselves from affiliation with politics of utility and real-estate interests and unite in creating a city that makes for decent living conditions and efficient industry." With participation by representatives of labor and capital in these conferences under the auspices of State and municipal universities not only would there be no aimless and fruitless waiting, but they would be doing their bit through the one agency adapted to bring to consummation the end desired by all.

Furthermore, through the insight obtained, from the contributions gained through the points of view of the social scientists, the practical social expert and the business man and laborer, much as to cause and effect relations is made to stand out which otherwise eludes. The hidden and more remote but really vital cause and effect relations are identified for all. The public conscience, enlightened by the knowledge elicited by such conference discussions, would learn to judge lines of action by their true results and would come to see how to make these judgments effectual.

**Coöperation of scientific and practical minds.** It is interesting to note the distinctive factors for efficiency contributed by the two sets of participants in these conference struggles with the problems of adjustment. It is team work in which intra-mural and extra-mural forces coöperate. The academic minds are through customary exercise in the work of instruction facile with the historical method of approach. The course of evolution and the lines of perspective pertaining to the present-day situation are clearly seen



by the university man. Moreover, his resources in the university library also afford him means of comparison, and yield him the suggestions that come from experiment with like problems the world over. The aid received from the combination of the historical and comparative lines of approach makes a complete comprehension of the problem in hand in its organic relations in a way possible. With the further aid of the art of charting the quantitative features of each problem the conditions are present for the attainment of fairly complete visualization of the elements in the process as a whole that are to be brought under salutary control.

Turning now to the rôle of the other set of participants in this great game of adjustment, the extra-mural forces. These are the practical social experts, those responsible for the forming of public policies and the socially minded managers of private enterprises. They are in actual touch with the stern realities of life. No academic walls are barriers between them and the pulsating affairs. They are in the only social laboratory there is for testing out the truth in the social hypotheses. They observe directly their success and failure. Through this first-hand control they are free from every trace of dilettantism. The university men in regular association with them cannot fail to be kindled with their earnestness and zeal. The university man in this working association with the outsider gets living contact with reality. Through such association, his teaching is vitalized and becomes fully cultural. His research has a much better chance of being really fruitful. This complementary union of the virile and constructive outsider with a mind favored for grasping a situation in all its essential relations furnishes modern democracy with its most competent guide to adjustment.

The present occasional worry and irritation over what is regarded as the freedom of teaching passing over into license

would with the institution of such working agency be forestalled. A bridge over the gulf representing the disparity between ideals and practical policies would then exist. No sufficient cause for exasperation provoking over-statement would be felt. The public too would draw nearer in its appreciation of the motive and social utility of the attitude of the radical.

**Problems to be discussed.** Supposing that we should succeed in establishing an agency of adjustment for modern democracy and that it functions effectively in enlisting the ardent coöperation of the largest available proportion of its citizenry in activity for the promotion of the common welfare. What would be some of the salient and perduring interests of democracy to be adjusted so that its life would be rich, secure, and free?

If we know the direction of the normal movement of human life as a whole and the dominant characteristics of the conditions for achieving this change, there should be no confusion as to the main aims to be furthered by the proposed agency of adjustment. The movement of transition in human affairs is in the direction of a more psychically determined life. Life is more and more a matter of the spirit. The attainment of it is attended by a "process of enlargement, diversification, and organization, personal and social." It is mediated through struggle. To achieve the normal for humanity in such a predestined course means effective care for some particularly fundamental and ever-pressing interests. Among these are wholesome nurture and discerning education, conservation of some precious but limited natural resources as numbers increase, fairly equitable distribution of the essential means for opportunity, effective machinery for realizing democratic control and expressing the popular will, and unfaltering loyalty to ever higher and wider interests through clear envisagement of them as ideals. A con-

tinuing ennoblement of life would thus be induced. Our proposed organization for discussion, if sufficing, would, through creating a current of progress onward and upward affecting these vital interests, draw all elements of society into its movement.

The measure of adjustment that must be effected through nurture and education is every day becoming more extended. The situation of humanity, with increasing numbers and a shrinking patrimony, also calls for the functioning of an effective agency of adjustment. Ignorance and heedlessness involve a waste that means misery for posterity. Adjustment must forestall this. Institutions countenancing monopoly by the few of the scant remnants of the resources remaining are to be corrected. The need of effective policies of conservation of human as well as natural resources challenges the efficacy of the best process of adjustment that can be devised.

Increasing numbers, with more and more insistence on the ideal of democracy, also devolves upon the different nationalities the necessity of adequate machinery for effecting the expression of the public will, and the realization of instant responsibility to it. The introduction of devices like the short ballot and proportional representation seems for these ends to be indispensable in the near future.

The most critical requirement, however, incident to the present-day conditions of human life is the envisagement of "living social wholes." Says Cooley: "The idealization of the State, the impressing of a unitary life upon the heart of the people by tradition, poetry, music, architecture, national celebrations and memorials, and by religion and philosophy, teaching the individual that he is a member of a glorious whole to which he owes devotion is in line with the needs of human nature. . . ." It is a need that becomes more and more exigent and vital with the onward march in material

achievement, and hence constitutes the supreme requirement in the work of adjustment to be achieved by the agency suggested.

**Summary.** To summarize: The hastening change in conditions of human life in this twentieth century makes inexorable the demand for more facile and unerring methods and institutions of adjustment than those which sufficed for our needs in the earlier centuries. The disparity between the advance in material achievement and in spirit of freedom on the one side, and progress of social organization on the other, has brought on a critical situation. In the light of the proved efficiency of the factor of discussion for the attainment by the Athenian democracy of its unique civilization — for the most strikingly differentiating agency of this people was its provision for organized discussion — and in light of the fact that appropriately organized discussion seems to bring to bear the best resources of the collective mind upon problems of adjustment, reliance upon such an organization is suggested. A system of Commonwealth Conferences under the auspices of our State and municipal universities, in which the largest proportion of the élite would naturally be disposed to coöperate, constitutes the most promising agency for creating a current of thought and aspiration in the social population as a whole through which our hereditary human nature can be enlarged and ennobled so as to be true to its best possibilities.

The United States is not yet equipped with a national university. When such an institution, the dream of the fathers of the Republic, shall have been established, it will naturally perform functions in relation to the National Commonwealth analogous to those which are performed by State universities and by city universities for their more limited constituencies. Among them will be the direction of conferences such as I have described. Until such time as a

national university shall appear, perhaps it might not prove impossible to discover among Government departments some agency measurably fitted to assume this high duty *ad interim*. A particularly hopeful agency would be a thoroughly organized Department of Education such as the present need calls for. In fact, the best thought on the subject of a National Department of Education demands that such a department be equipped with the power to draw into conference with its experts professional educators and others from the country at large to help give most hopeful direction to educational policies.<sup>1</sup>

<sup>1</sup> See concluding paragraphs of the chapter on "The Educational Lessons of the War."

## XXIII

### THE EVOLUTION OF DEMOCRACY: A SUMMARY

CHARLES A. BEARD

No fact has been more firmly established by modern historical researches than the origin of the State in conquest. This is not a hypothesis, but a conclusion resting upon the inquiries of innumerable scholars, especially English and French: Stubbs, Maitland, Edward Jenks, and Fustel de Coulanges, to mention only a few. The conclusion has been reached by tracing the development of the State back into the earliest period of which we have written records.

The process is perhaps best illustrated in the constitutional history of England. If we take the English State, let us say in the sixteenth century, we find sovereignty vested in the King, Lords, and Commons, and that sovereignty extending over a definite geographical area. Moving backward in time we discover the methods by which the geographic unity was built up through conquest of smaller units. An analysis of the history of these latter units, as far as the records will permit, shows that each in turn was composed of still smaller elements fused by the process of conquest. As the historian Gneist shows in his constitutional history of England, doubtless the pettyest kingdom of the Anglo-Saxon period, if we could but trace its history, was built up out of minor kingdoms of which no traces have come down to us.

A similar inquiry into the history of France reveals the construction of that geographic unity by the fusion through conquest of innumerable minor unities. A recent examina-



2. Patriarchal society distinguished by property in domestic animals, permanent marriage, the tracing of kinship through the males, and severe paternal authority. Examples of this type of society being found among the ancient Greeks, Jews, Romans, Arabs, Hindus, Japanese, Teutons, Celts, and Highlanders. This is also the stage of social development marked by the dominance of tribal religion and tribal law under the spell of the taboo. In this stage agriculture, metal-working, and the handicrafts are begun.

### II. *The origin of the State.*

1. The development of the art of warfare — the increase of population causing a pressure on the means of subsistence and the increase in accumulated property tempting the bold to abandon agriculture and the handicrafts for the easier way, of conquest and exploitation through taxation.
2. The founding of the State. The State was established when a chieftain and his war band got permanent possession of a definite territory of considerable area occupied by a large number of people engaged in the arts of agriculture and industry.
3. The chief characteristics of the State thus formed are the predominance of military power, and loyalty to a sovereign exercising authority over the entire geographical area rather than to a tribe or organization based on blood relationship.
4. The early State, therefore, consists of the war lord who, after conversion to Christianity, became in Western Europe the anointed of the Church — the King — checked in the exercise of power by the members of his war band, who settled down upon the subject population as a hereditary nobility. Thus kings and warriors, as individuals, became institutions sustained by force and sanctioned by religion.

### III. *The evolution of the State.*

1. The subjection of royal authority to institutional control by the military and the Ecclesiastical aristocracy — an illustration of this process being found in Magna Carta, as any one will discover by reading McKechnie's profound study of that document.



2. The extension of State composed of the King and the aristocracy by the addition of representatives of the lower landed gentry and the higher bourgeois. This third stage in the evolution of the State was only completed by social revolutions, such as the Puritan Revolution in England, and the French Revolution of the eighteenth century.
3. The admission of the lower middle classes to sovereign power, as, for example, in the English Reform Bill of 1832.
4. The admission of the working classes to political power, as, for example, the English Reform Bill of 1867.
5. The admission of the agricultural laborers to suffrage, as, for example, in the Reform Bill of 1884.
6. The enfranchisement of women.

The progressive democratization of the State, it is true, has not followed the same logical process in all countries and there have been reactions as well as forward movements; but the grand result has been approximately the same throughout the nations of Western civilization. Moreover, the history of the United States differs from the history of European countries, in that the United States sprang from a nation in which the state-making process had been going on for many hundred years, and the agencies of the State — the army, the executive, courts of justice, and law-making bodies — and habits of obedience had already been well established. When the English colonies were founded in America the property-owners of England, for the most part, had won a share in the State, and that idea of the State was transferred to the new world. It is embodied in the colonial charters and laws which limit the exercise of the suffrage to property-owners and taxpayers — to freeholders in Virginia, and to freeholders and owners of personal property in Massachusetts, for example.

The history of the State in America follows along the lines of evolution in Europe; namely, progressive extension of the

suffrage to groups and classes disfranchised in colonial times and under the first State constitutions. The white working men of New York were enfranchised under the constitutional revisions of 1821-26; an attempt was made after the Civil War to enfranchise the black agricultural laborers of the South, whose position under slavery had been somewhat analogous to the status of the serfs from whom sprang the English agricultural laborers enfranchised under the law of 1884.

It is a matter for solemn reflection, after a review of the origin and evolution of the State, that up to the present time the work of democracy has been to conquer and control institutions already made by superior classes:

Executive agencies.

Councils and upper-class Parliaments.

Courts of law.

The common law made by courts of law.

Institutions of justice which were royal in their origin.

The jury system — which sprang undoubtedly from the Roman *inquisitio*, though older communal elements may have influenced it.

Municipal and local institutions.

Universities.

Secondary schools.

No doubt these institutions have been greatly modified and developed in the course of the process of democratization. No doubt also additions have been made to the original structures, but it will be remembered that in every case democracy has been at work on original materials created by other hands.

An English wag once remarked that everything in England was "royal" — the royal army, the royal navy, the royal mail, the royal courts of justice — and that only the debt was "national." The old titles are still retained, but

the old institutions, like debt, have become national, subjected to democratic control.

Having conquered political institutions of royal and aristocratic origin, democracy is now at work on economic institutions. Here, too, democracy is attacking agencies and organizations built by master minds — gigantic railway systems stretching across whole continents, huge industrial concerns with employees as numerous as the subjects of ancient kings, revenues so enormous as to make the treasury of Henry VIII look like a poor-box of an orphan asylum. Along with the mighty state-builders of the past, the Akbars, the Mikados, the Norman Conquerors, and the Capetians, must rank the Rockefellers, Morgans, Vanderbilts, and Harrimans of our age. Democracy is at work to subject to public purposes the magnificent economic structures erected by these creative pioneers — these mighty organizers of men, money, and materials. The task is magnificent beyond imagination. It falls in an age that has given the right to-vote to Tom, Dick, Harry, Will, and even to Bridget and Jane.

Obviously, this task will try the ability of democracy as it has never been tried in any contest over parliamentary government, the tariff, or suffrage extension. In short, the supreme test of the power of the people to conduct government for themselves is now at hand. The achievements of the past, though splendid, throw little light upon the future. Those who work now must work under a sense of responsibility such as never has fallen upon those to whom it is given to teach or lead. The outcome can be seen by the eye of faith alone.



## INDEX



## INDEX

- Absentee ownership, 8, 9, 76.  
Adaptation to needs, accomplished by Committee on Education and Special Training, 227-31.  
Adjustments, institutional, needed, 425; continuous, called for, 468-71, 484; the conference an agency for promotion of, 474-84.  
Agricultural colleges, 214, 215.  
Agriculture, conduces to thrift, 245; application of motor transports to, 351.  
Alexander, Professor, quoted on the Prussian school system, 159.  
Alien and Sedition Laws, the, 121.  
Alien question in America, 14-16.  
Allotments and family allowances, 269-72.  
Almshouse, the, 141.  
Amana Community, the, 92.  
Amendment, provision for, in democracy, 425.  
America, attitude of, toward reconstruction, 3-5; historic ideals of, 5-8; democracy of, its connotation, 5; democracy of, cheap land the basis of, 8; frontier social and political traits in, 8-10; limitations on popular control in, 10; optimism of, 10-12; history of, redemptive, 11; influence of free lands on the condition of laborers in, 12-14; the immigration question in, 14-16; the district school in, 16-19; the spirit of her primitive age, 19; passing of the frontier in, 19, 20; change in farm-land values, 20-21; revolution of life in, 21, 22; the problem of democratic control in, 22; property in a stronger position in, than in European countries, 86, 87; separation of Church and State in, 127, 128; mortality statistics in, 170-72. *See* United States.  
*Argus, The*, 122.  
Aristocratic system in England, 153-55.  
Army, the American, health of, 177.  
Artisans, contrasted with farmers, as regards thrift, 245-47.  
Assimilation of foreigners in America, 15, 16.  
Athens, the virtue of adequate public discussion, illustrated by, 472-74.  
Austria, taxation in, 85.  
Autocracy, and popular government, 50, 51, 65, 66; failure of, in the War, 146.  
Automatic insurance, 281, 282.  
Baby clinics, 190, 200, 201.  
Beadle, General W. H. H., 17.  
Beard, C. A., quoted, 479.  
Beggary, 138.  
Benton, Senator, quoted, 12.  
Berkeley, Governor, 128.  
Bills of rights, 449.  
Birth-rate, during the War, 181, 182; criticalness of the problem of, 182, 183; attempts to remedy, 183, 184.  
Black lists, 403, 412.  
Blackstone, Sir William, quoted, 186.  
Bolshevism, 94, 95, 147, 309; how to avoid, 150.  
Bond-issuing capacity, 298, 299.  
Boss, the political, 430, 431.  
Boston Common, 74.  
*Boston News Letter, The*, 119.  
Bradford, Andrew, 119.  
British Health of Munitions Workers Committee, report of, quoted, 183, 184.  
Bryan, W. J., 26, 27.  
Buffer employment, 295-99, 302-04.  
Building programs, 300.  
Bureau of Education, 215 n., 221 n.

- Bureau of War Risk Insurance, 265, 269.
- Bureaucracy, two kinds of, 151; of the Prussian kind, 152; advantages and disadvantages of, 152, 153.
- Business prosperity and consumptive demand, 300.
- Cabinet system, the, 64.
- California, popular government in, 9, 10.
- Campbell, John, 119.
- Canada, taxation in, 85.
- Cancer, 172, 173.
- Capital, 70; and labor, importance of relation of, 305, 306; and labor, nature of relation of, 306, 307; causes of conflict with labor, 307-12; factions, 313, 314; effect of the War on labor and, 314-16; special developments in, due to the War, 318-20; and labor, undecided questions concerning, 320-23; important issues for, 323, 324; measures to produce harmony with labor, 324-26.
- Capitalism, the new, 310-12.
- Carlyle, Thomas, 19.
- Carnegie, Andrew, quoted on wealth, 81.
- Charity, rise of need of, 136, 137; indiscriminate, 138-40; institutional and non-institutional, 140-42; and the county, 142; was not an institution of democracy, 144.
- Charity Organization movement, 140, 142.
- Charters, 87, 88.
- Check-and-balance principle, the, 455-59.
- Child-bearing as cause of death, 173, 174, 197, 198.
- Child labor, 105, 204, 205; existing conditions, 205-07; outline of a good law, 208.
- Children, in the pre-school age, 199, 200; weighing and measuring of, 200, 201. *See* Infant and maternal welfare, Infant mortality.
- Children's "Year," the, 194.
- Church, and State, separation of, 127, 128; in Colonial Virginia, 128, 129; in Colonial Massachusetts, 129-31; in other colonies, 131; at the time of the Revolution, 132; disestablishment of, 132-34; co-operation, 134, 135; federation, 135.
- Cities, increase in population of, 244, 245; lack of thrift in, 245-48.
- City enterprises, 299.
- Civil service, 59; democratization of, 151; type of government in United States, 155, 156.
- Class-consciousness, 318, 319.
- Cleveland, President, 26, 27.
- Clinics, baby, 190, 200, 201.
- Cole, G. H. D., 314.
- Collective bargaining, 150, 161, 308.
- Colleges, as training plants for production of specialists and officers, 224, 225; admission tests to, 234-37.
- Colonies, American, religion in, 127-34.
- Commerce, ocean, importance of, in the War, 397; warfare directed against, 397, 398; measures against, in the War, 398-404; England's experience with, 404-08; America's experience with, 404, 408-13; in reconstruction, 416-19.
- Committee on Education and Special Training of the War Department, 222-25; educational contributions of, 225-41.
- Committee on Public Information, 220, 221.
- Commodities, 73.
- Common Law, the, 56.
- Commonwealth Conference, the, 468 n.
- Commonwealth Conferences, 478, 479, 484.
- Communism, 92, 135.
- Compensation for death or disability, 272-78.
- Competition between carriers, 388.
- Condon, Dr. Thomas, 10 n.
- Conference, the, 474, 475; a hopeful method of discussion, 475, 476; the



- university as agent for promoting, 476, 477; benefits to universities from instituting, 477-80; coöperation of scientific and practical minds in, 480-82; problems to be discussed in, 482-84.
- Congress, the American, 64, 428; committee of, 428-30; rules of, should be changed, 438-44.
- Connecticut, Colonial, the Church in, 131.
- Consent of the government, the, 49, 50.
- Conservative adaptation, change through, 45.
- Constitution, the American, 54-56; the Fourteenth Amendment, 88, 89.
- Constitutional government, 52, 53.
- Constitutional law, American, 54, 55.
- Constitutions, written, 54, 55.
- Consultation centers, 199.
- Consumption goods, 69.
- Consumptive demand and business prosperity, 300.
- Contracts, 71, 72.
- Control of leadership, 424-26; given to the Congress, 428; and leadership, confusion of principles of, 428, 429; irresponsible, 430-36; need of responsible, 436-38; necessary to effective leadership, 443.
- Converted insurance, 282-85.
- Cooley, Thomas M., quoted, 483.
- Coöperation, spirit of, 320; between the individual and the group, 471, 472; of scientific and practical minds, 480-82.
- Coöperative part-time plan, 226 *n.*
- Corporations, become under the law persons, 88.
- Cost of living, 317.
- Council of National Defense, 217-20.
- County, the, the chief unit in certain kinds of charitable work, 142.
- Courts, attacked by President Roosevelt, 28.
- Creative impulse, 324.
- Credit system, 326.
- Crèvecoeur, Hector St. John de, 7.
- Crime, 77.
- Cumulative-vote plan, 454.
- Dale, Sir Thomas, 128.
- Dartmouth College case, 87, 88.
- Davison, H. P., of the Red Cross, 187 *n.*
- Death-rate, 102.
- Deaths, causes of, 170-74; among infants, 175.
- Debt, the national, 249, 250.
- Delaware, Colonial, Church in, 131.
- Demobilization and unemployment, 293-304.
- Democracy, American, 5, 8; the hope and promise of, 25; protest against institutions inconsistent with, 26, 27; testimony of experts to basis of protest against, 27-29; the ideals of, applied to world politics, 36-40; the judgment of mankind on President Wilson's interpretation of, 40-43; must work through institutions adapted to its purposes, 43; has a social as well as a political connotation, 48; aims at the general good, 48, 49; the second postulate of, consent of the governed, 49; defined, 57, 58; and the activities of government, 58-60; and private property, 69-95; property in a, 85, 86; and the family, 96-110; does not threaten family life, 97; essentials of family life in, 98; must have good rather than large populations, 101; in the family, 109, 110; organization the primary concern of, 116; necessity for freedom of discussion in, 123; the problem of, 136; the strength of, demonstrated by the War, 146; weaknesses of, for peace-time, 146, 147; opposed to industrial autocracy, 147-50; industrial, a task for high statesmanship, 150, 151; and health, 165-92; and thrift, 256-58; reverses old ideas of government, 423; the Athenian, 472-74; requires participation of large number of citizens, 472-74; the evolution of, 486-91; has worked to conquer institutions made by superior classes, 490; is now to work on economic institutions, 491.

- Democratic control in America, the problem of, 22.
- Democratization, 111; of institutions for social betterment, 111-44; of the press, 124-27; of the Church, 134, 135; of charity, 140-44; of institutions for public service, 146-61; of industry, 150; of civil service and military organizations, 151, 160, 161; of the State, 486-91.
- Department of Education, 485.
- Desertion of families by men, 104.
- Dewey, John, quoted, 470.
- Discipline, 239-41.
- Discussion, public, the virtue of adequate, illustrated by Athens, 472-74, 484; rightly ordered, a chief reconstruction aim, 474; the conference method of obtaining, 474-76. *See* Conference.
- Diseases, in American mortality statistics, 171-73; prevention of, 185, 186.
- Disestablishment in Virginia, 132-34.
- Disraeli, 170.
- District school, the, 16-19.
- Divorce, 110.
- Draft, the, 93, 99, 100, 165-70, 258.
- Drafted men, health of, 99, 100, 165, 166, 195.
- Economic power, 115, 116.
- Economic transformations in American life, 21, 22.
- Education, defects in our system of, 99, 168; and child labor, 204, 205; readjustment of, 208, 209; public, in the United States, 214; and the Council of National Defense, 219, 220; and the Committee on Public Information, 220, 221; and the Food Administration, 221, 222; and the Committee on Education and Special Training of the War Department, 222-41; a national policy in, 241, 242; a proposed Department of, 241-43; in England, system of, recast, 243; basis of national defense, 243; thrift, 258-60; used by governments to restore national greatness, 260; it does what the public wants done, 261.
- Educational agencies, in times of peace, 213-16; new, of war-times, 216, 217.
- Educational contributions of the Committee on Education and Special Training: motivation, 225, 226; individual capacities, 226, 227; adaptation to needs, 227-31; the liberal element, 231-34; objective tests, 234-37; progress and ability, 237-39; discipline, 239-41.
- Educational problems due to the War, 212, 213.
- Edwards, Jonathan, 132.
- Efficiency, and bureaucracy, 152, 153; demand for, 319.
- Electorate, deprived of right of final decision, 430.
- Electric railroads, 371.
- Eliot, Charles W., quoted, 34.
- Ely, R. T., quoted on property, 72, 95.
- Emancipator, The*, 123.
- Emerson, Harrington, 252.
- Emminghaus, quoted, 138.
- Employment bureau system, 326.
- Employment management, 324.
- England, taxation in, 83-85; the personnel system in, 153-55; the school system of, 159; the health of her drafted men, 166-68; infant mortality rates in, 196; Parliament Act recasting educational system in, 243; insurance in, 263, 264; her Order in Council of March 11, 1915, 399; stops indirect trade with Germany, 400; her rejoinder to neutral protest, 401; how her blockade was carried out, 401-04; her shipping experience in the War, 404-08; Constitutional history of, 486.
- Epidemic, 178.
- Equality, the meaning of, 31, 32; legal, 56.
- Espionage Act, the, 408, 409.
- Estate duty, 83.
- Europe, her attitude toward reconstruction, 3, 4.

- Excess profit taxes, 93.  
 Executive and legislative branches of government, 60, 62-65.  
 Export Council, the, 409.  
 Extravagance, our national sin, 244; the price of, 250, 251.
- Factions in labor and capitalist groups, 313, 314.  
 Factory system, 258.  
 Family, the, social, economic, and religious bases of, 96, 97; democracy in, 109, 110.  
 Farm colonies, 326.  
 Farm-land, values, changes in, 20, 21; ways of making it available, 21 *n.*  
 Federal Board of Public Works, proposed, 302, 303.  
 Federal Child-Labor Law, 205, 206.  
 Federal Government, the, 426-36; the President, 426, 427; the Congress, 428-30; irresponsible leadership and methods of control, 430-36; need of responsibility, 436-44.  
 Federal projects, 297, 298.  
 Federalist, The, 121.  
 Feudal system, the, 136, 137.  
 Fitzgerald, Representative, 435, 436.  
 Food Administration, 221, 222.  
 Food-supply and highways, 359.  
 Fourteenth Amendment, the, 88, 89.  
 France, taxation in, 84; her task of reconstruction, 94; social insurance in, 263; constitutional history of, 486.  
 Franklin, Benjamin, 119.  
 Franklin, James, 119.  
 Frear, James A., quoted, 434, 435.  
 Free goods, 73.  
 Freedom of the press, 120, 121.  
 Frontier, social and political traits in America, 8-10; passing of the, 19, 20.  
 Frontier line, the, 6, 22 *n.*  
 Functions, of government, policy-forming and policy-executing, 58-60; of representative chambers, 62-65.  
 Funds to parents, 142.
- Garrison, W. L., 123.  
 George, Henry, 76, 85.  
 George, Lloyd, 4, 170.  
 Germany, taxation in, 84, 85; Bolshevism in, 94; bureaucracy in, 152, 153; the schools of, 158, 159; infant mortality rates in, 196; social insurance in, 263; her first war-zone order, 398, 399; neutral trade with, 399, 400.  
 Gerrymandering, 451, 452.  
 Goodnow, Dr. F. J., 59.  
 Government, as an organ of society, 44; the good and bad, the efficient and non-efficient, 48; popular and autocratic, 50, 51, 65, 66; constitutional, 52, 53; popular, defined, 57, 58; the activities of, and democracy, 58; policy-forming and policy-executing functions of, 58-60; representative, 60, 61; republican, 65, 66; insurance by, 93, 94; fundamentals of constitutional, 423, 424; invisible and irresponsible, 429, 430; results of irresponsible, 431-36; need of a responsible, 436-44.  
 Governmental ownership, 323.  
 Great Britain. *See* England.  
 Greek democracies, 473.  
 Group-consciousness, 318, 319, 424, 425.
- Hadley, President, quoted on property, 86, 88.  
 Hakluyt, Richard, 6.  
 Hamilton, Alexander, 121, 258.  
 Hare system of proportional representation, 453.  
 Health, of our drafted men, 99, 100, 165, 166; of England's drafted men, 166-68; measures to promote, 186.  
 Health agencies, coordination of, demanded, 186-88; problems for, 192.  
 Health conditions, 99-101.  
 Health education, 188, 189.  
 Heart disease, 171, 172.  
 Higginson, Francis, quoted, 6.  
 Highway Commissions, 366, 367.

- Highways transport, in the War, 359-62; the problem of the return load, 362, 363; keeping the roads open, 363; and local enterprise, 363, 364; highways as branch lines, 364-66; need for a national system of, 367-69; as the key to national prosperity, 369, 370; the question of financial support of, 370, 371; new lands brought in by, 371, 372; linked up with the merchant marine, 372, 373; organization of, 373, 374; the need of good personnel for, 374-76; the education required for engineers of, 376-79; and work of the schools, relation between, 379, 380; factors of operation, 380, 381.
- Highways Transport Committee, 359.
- Hillman, James N., quoted, 379, 380.
- Holding of property, 78.
- Holt, quoted, 446.
- Home care, the best, 201, 202; relation of, to income, 202, 203.
- Hoover, Herbert, quoted, 361.
- Hospitality, American ideal of, 16 *n*.
- Hospitals, 191, 192.
- Housing, good, 106, 107.
- Hughes, Governor, 28.
- Hurley, Edward N., quoted, 372, 373.
- Ideals of social justice, 424.
- Illiterates, 99, 168.
- Immigration question in America, 14-16.
- Impeachment, 54.
- Income, adequacy of family, 101-03; relation of home care and infant mortality to, 175, 201-03, 209; meaning of the term, 203, 204.
- Income taxes, 82, 90, 93.
- Indentured servants, 12 *n*.
- Independent Journal, The*, 121.
- Indians, the, no private ownership of land among, 73, 74.
- Individual capacities, 226, 227.
- Industrialism, new, 244, 245.
- Infant and maternal welfare, 193-211.
- Infant mortality, relation of, to family income, 175, 201-03, 209; statistics, 195, 196; remedies for, 196, 197.
- Influenza, 178.
- Inheritance, problems of, 79, 80.
- Inheritances, taxation of, by the Federal Government, 81-83; by the State Governments, 83; by European Governments, 83, 84.
- Initiative, the, 460, 461.
- Institutions, defined, 111, 112; four kinds of, 112, 113.
- Insurance, governmental, 93, 94, 262; importance of, 144; health, 189, 264; social, 263-89, *see* Social Insurance; unemployment, 263, 264; accident and invalidity, 263; marine and seamen's, 265-68; soldiers' and sailors', 268-85.
- Insurance companies, private, 285, 286.
- International policies, 323.
- Interstate Commerce Commission, 393, 394.
- Iowa, conditions in, 75, 76.
- Issues in politics, 446, 447.
- I. W. W.'s, 147, 150, 309.
- Japan, origin of, in conquest, 487.
- Jay, John, 121.
- Jefferson, Thomas, 121, 133, 458 *n*.
- Jenks, Edward, 487.
- Job method, 225, 226.
- Justice, fundamental of constitutional government 423-25, 443.
- Kipling, Rudyard, quoted, 11; referred to, 167.
- Labor, issues involved in, 13; question of, how to be solved, 14; and capital, relationship of, 305-07; causes of conflict with capital, from a labor viewpoint, 307-09; the desires of, 307-09; causes of conflict with capital, from a capitalist viewpoint, 309-12; factions, 313, 314; effect of the War on capital and, 314-16; special developments in, due to the War, 316-

- 18; and capital, undecided questions concerning, 320-23; important issues for, 323, 324; measures to produce harmony with capital, 324-26. *See* Capital.
- Laborers, influence of free lands on the condition of, 12-14.
- Laissez faire and socialism, 46.
- Land, cheap, the basis of American democracy, 8; free, influence of, on the condition of laborers, 12-14; farm-land values and the passing of the frontier, 20, 21, 75, 253; as public and private property, 73-77; tenure, 86, 87.
- Land-ownership, 73, 74; its justification, 74; in the United States, 74-76.
- Lane, Franklin K., quoted, 365, 366.
- Language of immigrants, 15, 16.
- Lathrop, Julia C., quoted, 201.
- Law, established by the State, 77.
- Leaders, revolutionary, 25; evolutionary, 26.
- Leadership, national and international, the psychological basis of, 29; organization made effective through, 424, 425; control over, 424-28; not provided for, in our Government, 426-28, 430, 464; and control, confusion of principles of, 428, 429; irresponsible, 430-36; need of responsible, 436-38; way to provide, 443; conceives policies, 462, 463; thwarted by American system of government, 463, 466.
- League to Enforce Peace, the, 468-70.
- Lecky, W. E. H., quoted, 137, 245.
- Lee, James Melvin, quoted, on the partisanship of the press, 122.
- Legacy duty, 84.
- Legal and public responsibility of public officials, 53, 54.
- Legal equality, 56.
- Legislative and executive branches of government, 60, 62-65.
- Leisure, necessity for time for, 105, 106.
- Leverhulme, Lord, 312 *n*.
- Liberator, The*, 123.
- Liberty, the meaning of, 32, 33; and the World War, 35-40.
- Liberty Bonds, 258, 259, 261, 262, 320.
- Liberty of speech, 450.
- Limited-vote plan, 454.
- Lincoln, President, 456 *n*.
- Liquor traffic, the, 93.
- Loans, the public, 258, 259, 261, 262, 320.
- Long haul, and motor transports, 353-55.
- Low, A. Maurice, quoted, 29, 30, 41.
- Luxury, 253-55.
- Madison, James, 121, 133.
- Majorities. *See* Minorities.
- Mallery, Otto T., 303.
- Marine and seamen's insurance, 265-68.
- Marriage, 96.
- Marshall, Chief Justice John, 54, 458 *n*.
- Massachusetts, Colonial, religion in, 129-31.
- Material waste, 251-53.
- Maternity Bill, the, 199.
- Maternity hospitals, 191.
- McAdoo, W. G., quoted, 287.
- Mediation Commission, the, 149.
- Mexico, President Wilson's principle applied to, 34; use of motors in campaign in, 339.
- Michigan, 10 *n*.
- Militarism, 156, 157.
- Military organization, democratization of, 151.
- Military service, universal, 156, 157.
- Military training, 239.
- Milk-supply, 189, 190.
- Mill, John Stuart, quoted on representative government, 62, 63, 437; quoted on wealth, 81.
- Miller, G. R., quoted, 289.
- Minimum wage, 103, 104, 185.
- Minorities, and minority parties, 446, 447; strongly entrenched in the United States, 448, 449; constitutional immunities of, 449-51; representation of expedients which insure, 451-55; the means by

- which they wield power, 455-62; whether we are governed by, 462-66; a danger to reconstruction, 466, 467.
- Mir, the Russian, 74.
- Mitchell, John, 107.
- Monasteries, 137.
- Money, 70.
- Mormons, the, 10, 11.
- Morris, Gouverneur, 121.
- Mortality, statistics, American, 170-72; infant, 175, 195-97, 201-03.
- Motherhood as cause of death, 173, 174, 197, 198.
- Mothers, care of, fundamental, 197-99.
- Mothers' pension, 142.
- Motivation, 225, 226, 239, 240.
- Motor Transport Corps, 338, 339.
- Motor transports, the part of, in the War, 337; delay in adaptation, 338-40; adoption of, due to necessity, 340-42; standardization of, 342-44; the human equipment of, 344-46; organization of, for service, 346-49; in action, 349, 350; possibilities of, in peace, 350, 351; financial inducements to use of, 351-53; and the long haul, 353-55; a means of reclaiming unused lands, 355, 356; and rural life, 356, 357.
- National Army Training Detachments, 225.
- National Gazette, The*, 121.
- National Government, the, and education, 214-16.
- National University, one duty of a, 484, 485.
- Nationalism, 319.
- Natural resources, engrossed by individuals and corporations, 20; enumerated, 69; exploitation of, 252, 253.
- Neutrals, Germany's trade with, 399, 400; indirect trade through ports of, stopped, 400; protest of, 400.
- New England Courant, The*, 119.
- Newnes, Sir Frank, quoted, 403.
- Newsholme, Sir Arthur, 202, 204.
- Newspapers, the first, 118-20; influence of early, 121.
- New York Herald, The*, 123.
- New York Sun, The*, 123.
- New Zealand, taxation in, 85; infant mortality rates in, 196.
- Non-support of families by men, 104.
- Nuisances, 186.
- Nurseries, 184, 185.
- Nurses, 188, 199.
- Objective tests, 234-37.
- Optimism, American, 10-12.
- Organization, the primary concern of democracy, 116; economic, gives power to amass wealth, 136; in capital and labor relations, needed, 325; of motor transportation, 355; for service, 424.
- Ownership, 70, 71.
- Panic of 1837, 10.
- Parliament, the English, 62-64.
- Partisanship of the Press, 121-23.
- Party tickets, 464.
- Patronage, 433-36.
- Pennsylvania, Colonial, the Church in, 131.
- Penny Press, 123.
- Pension system, the, 93, 94.
- Philanthropy, 135-40, 143. *See* Charity.
- Physical power, 115.
- Political agencies, adjustments in, called for, 468-72.
- Political and legal responsibility of public officials, 53, 54.
- Political democracy of the frontier in America, 9, 10.
- Political liberty, President Wilson's interpretation of, 32, 33, 35.
- Political parties, line of cleavage between, 446, 447.
- Popular government, 50-52, 65, 66; defined, 57, 58.
- Popular will, agencies for the formulation and utterance of, 51, 52.
- Populist Party, the, 26.
- "Pork," 433-36.
- Post, Louis F., quoted, 361.
- Poverty, 143, 175, 185, 186, 202, 203.

- Power, physical, economic, and psychic, 115-18.
- Pre-school age, the, 199, 200.
- President, the, 426.
- Press, the, 118-20; freedom of, 120, 121; partisanship of, 121-23; anti-slavery, 123; penny, 123; improvement in, 123, 124; now capitalistic, 124-26; an endowed, 126, 127.
- Production, machines of, 305, 309.
- Production goods, 70.
- Prohibition, 186, 254.
- Property, origin of, 70, 71; a social institution, 71; not limited to material things, 72; objects of, 72, 73; public and private, 73-75, 88, 89; relation of the State to, 76-95; acquisition of, 77, 78; the holding of, 78; the use of, 78; transfer of, 78, 79; inheritance of, 79, 80; distribution of, 80, 81; in a democracy, 85, 86; in a stronger position than in European countries, 86, 87; influence of the World War upon, 92-95; private, not in danger of abolishment in United States, 95. *See* Land.
- Property-owners, rights of, 77.
- Proportional representation, 452.
- Protest, national, evidences of, 26, 27; conditions on which it was based, 27.
- Prussia, bureaucracy in, 152, 153; the school system of, 158, 159.
- Psychic power, 116-18.
- Public officials, responsibility of, 53, 54.
- Public opinion and popular government, 50-52.
- Public school, the, 158, 213.
- Public service, development of new organs of, 46, 47.
- Public utility corporations, 296.
- Public welfare, 143.
- Public works, 295-99, 302-04.
- Quarantine problem, the, 190, 191.
- Quasi-public enterprises, 296.
- Railroads, development of, 296; public and private control of, 329-30, 386, 387, 393-96, 413; groups interested in, 331, 332; questionable proceedings of, 333; reconstruction plans, 334-36; broad policy of, needed, 382; provision for governmental control of, in time of emergency, necessary, 383; limitation of construction of, 384, 385; coöperation with waterways, 385, 386; competition, 388; rates, 388; financial manipulation of, 389; securities of, regulation of issues, 389, 390; Federal and State co-operation for regulation of, 390; kinds of traffic of, 390; regulation of equipment of, 390, 391; terminal facilities, 391; adequate facilities to be required of, 391-93; Interstate Commerce Commission, 393, 394; depreciation, 394.
- Rates of carriers, 388.
- Readjustment, Pre-War demands for, 26; President Wilson's proposals for, 31-33; the present need for, 425, 426.
- Recall, the, 54, 460, 462.
- Reclamation, 297.
- Reconstruction, as approached by Europe and America, 3-5; elements of, 329-36; proposals, 334; ocean commerce in war and, 397-419; in danger from minorities, 466, 467.
- Recreation, 108, 109, 209-11.
- Red Cross, the, 187.
- Redemptioners, 12 n.
- Redfield, William C., quoted, 365.
- Reëmployment, the problem of, 293; its possibilities, 293-95.
- Referendum, the, 460, 461.
- Rehabilitation of wounded soldiers and sailors, 277, 278.
- Religion, in Colonial Virginia, 123, 129; in Colonial Massachusetts, 129-31; in other colonies, 131. *See* Church.
- Religious liberty, 128-34.
- Representation, expedients which insure minority, 451-55.
- Representative chambers, functions of, 62-65.

- Representative government, 60, 61.  
 Republican government, 65, 66.  
 Reserved rights of individuals, 55, 56.  
 Rhode Island, Colonial, the Church in, 131.  
 Rights, social in origin, 71.  
 Road-building, 298.  
 Rockefeller plan, the, 323.  
 Roosevelt, President, 26-28, 35.  
 Root, Elihu, 29; quoted, 431-34.  
 Rural life, reclamation of, 356, 357.  
 Rural Motor Express, 360, 361.  
 Russia, Bolshevism in, 94; influence of unrest in, 321, 322.  
  
 Salaries, 257.  
 Sarkar, Benoy, 487.  
 Saybrook Platform, the, 131.  
 Schools, the public, 158, 213; the German, 158, 159; in England, 159; American, 159, 160. *See* Education.  
 Scientific management, 252.  
 Securities, railroad, regulation of issues of, 389, 390.  
 Self-consciousness of labor, 318.  
 Self-control, 101.  
 Self-determination, as applied to Mexico, 34; the doctrine of, in the World War, 35-40.  
 Serfs, 72, 136.  
 Service, fundamental of constitutional government, 423, 424, 426-28, 443.  
 Shipbuilding, 408.  
 Short ballot reform, need of, 465.  
 Single-tax, 76, 85.  
 Slaves, 72, 136.  
 Smith-Hughes Act, the, 215.  
 Smith-Lever Act, the, 215.  
 Social agencies, new, required, 472.  
 Social betterment, 113, 114; the power available for, 114-18.  
 Social insurance, in European countries, 263, 264; in United States, 264-68; soldiers' and sailors' insurance, 264-85; and reconstruction, 285-89.  
 Social sciences, 476, 477.  
 Social traits, frontier, in America, 8.
- Social transformations in American life, 21, 22.  
 Social unity, process of attaining, 15, 16.  
 Social welfare, the principle of, in problems of capital and labor, 14.  
 Socialism, and *laissez faire*, 46; discussed, 90-92.  
 Society, government as an organ of, 44.  
 Soil erosion, 253.  
 Soldiers' and sailors' insurance, 268, 269; allotments and family allowances, 269-72; compensation for death or disability, 272-78; insurance against death and disability, 278-81; automatic insurance, 281, 282; converted insurance, 282-85.  
 Southern Asia, state-building in, 487.  
 Spottiswood, Governor, 129.  
 Stamps, thrift, and war savings, 261, 262.  
 Standardization, 342, 343.  
 Stanhope, Lord, 128.  
 State, the, President Wilson on, 44-47; its relation to property, 76-95; establishes law, 77; regulates acquisition of property, 77, 78; determines the holding of property, 78; regulates use of property, 78; regulates transfer of property, 78, 79; and Church, separation of, 127-34; the origin of, in conquest, 486-89; society precedes, 487; evolution of, 488, 489; history of, in America, 489, 390.  
 State action, limits of, 44, 45.  
 State projects, 298, 299.  
 Stateism, 46, 47, 335.  
 States, the, and education, 214.  
 Strikes, 317.  
 Students' Army Training Corps, 225.  
 Submarine, ravages of the, 413, 414.  
 Suffrage, equal, 109, 110.  
 Syndicalism, 147, 334, 335.  
  
 Takahasi, Siego, 487.  
 Taxation, of inheritances, 81-84; of incomes, 82, 90, 93; of unearned increment, 84, 85, 93, 94; direct



- and indirect, 89, 90; excess profit, 93; importance of the issue of, 323.
- Terminal facilities, 391.
- Theatre, the, 116 *n*.
- Thrift, agriculture conducive to, 245; what it is, 255, 256; and democracy, 256-58; education, 258-60; whether it can be taught, 261, 262.
- Thucydides, quoted, 473, 474.
- Titles, 71, 72.
- Trade, regulations, in war time, 398-413; War, summary of, 414, 415; the new distribution of, 415, 416. *See* Commerce.
- Transfer of property, 78, 79.
- Transport system, in the War, 358. *See* Motor Transports.
- Transportation facilities, merger of, in time of emergency, necessary, 383; peace-time coöperation of, 384, 385.
- Truth-telling, 255.
- Tuberculosis, 171.
- Turner, Professor, 22 *n*.
- Tyranny, 117, 118.
- Unearned increments, taxation of, 84, 85, 93, 94.
- Unemployment, demobilization and, 293-304; precautions against, 295, 296; federal projects, 297, 298; state projects, 298, 299; city enterprises, 299; importance of the issue of, 324; means of lessening, 325, 326.
- Unions, labor, 308, 317, 322, 323.
- United States, "The Land of Opportunity," 5; land-ownership in, 74-76; health and education of drafted men in, 99, 100, 168-70; civil service in, 155, 156; system of education of, 159, 160; fortunate position of, as regards industrial democratization, 160, 161; wealth of, 248-50; social insurance in, 264-68; her shipping and commercial problem in the War, 404, 408-13. *See* America.
- Universal service, 240, 241.
- Universities of United States, 160; as training plants for production of specialists and officers, 224, 225; admission tests to, 234-37; society's agency for promoting conferences, 476; why they have evaded the duty of agency, 477; benefits to, from instituting conferences, 477-80.
- Unrest, conditions producing, 312, 313.
- Vagabondage, 138.
- Veblen, Thorstein, quoted, 246, 247.
- Venereal disease, 99, 166, 176, 177.
- Virginia, Colonial, religion in, 128, 129; disestablishment in, 132-34.
- Vocational rehabilitation, 277, 278.
- Wages, and free lands in America, 12, 13; increase in, 316, 317; of railroad employees, 387.
- War Risk Insurance Act, 265.
- War Risk Law, the, 104.
- War Trade Board, 409-11.
- Warburg Plan, the, 334.
- Warner, quoted, 137.
- Water-supply, 189.
- Waterway development, 297, 298.
- Waterways, coöperation with railroads, 385, 386.
- Wealth, 69, 70; service the justification of, 81; power of amassing, due to economic organization, 136; our national, 248-50; effect of the war on distribution of, 318, 319.
- Welfare, the general, the object of democracy, 48, 49; human, men's neglect of, 180, 181.
- Welfare work, 325.
- Wells, H. G., quoted, his appraisal of President Wilson, 40, 42.
- Western Claims Association, 8.
- Whitman, Walt, quoted, 19, 22.
- Williams, Roger, 127, 131, 132.
- Wilson, President, basis of his appeal to the people, 26-28; quick rise to Presidency, 29-31; as interpreter, 31-33; his principle as applied to Mexico, 34; and the World War, 35-40; the judgment of mankind on his interpretation of democracy,

- 40-43; his habit of seclusion, 41; his policy of watchful waiting, 41; aware of his responsibility, 42; quoted on the State, 44-47; quoted on our machinery of government, 428, 429; and the elections of November, 1918, 456.
- Woman Suffrage Amendment, the, 459.
- Women, in industry, 104, 105; their supreme part in reconstruction, 179, 180.
- Woodbridge, Dean, quoted, 233, 234.
- Workmen's compensation laws, 264.
- World opinion, Pre-War, 29-31.
- World unity in thought, 4, 5.
- World War, the, liberty and, 35-40; influence of, upon property, 92-95; won by democracy, 146; facts disclosed during the, 149, 165, 193, 194; our educational problems in, 212, 213; effect of, on capital and labor, 314-16.
- Written constitutions, 54, 55.
- Zenger, J. Peter, 120, 121.
- Zimmern, A. E., quoted on the Greek city-states, 473.











