Big Biz Backs 'Bob'

LAFOLLETTE'S PROGRESSIVISM SCARES NO ONE

By JAY LOVESTONE.
(Third Article.)

Railroad presidents, traction magnates, life insurance company heads, public utility bosses, bankers and bond sharks have been rendering generous appoval of LaFollette's "progressive" schemes.

On many occasions LaFollette's much-vaunted "Wisconsin Plan" worked so well for the big bosses that the "regulated" business interests and public utility overlords of the Badger state have been glad to give good jobs to the LaFollette "regulators."

The record is replete with instances where the members of the state commissions, set up to prevent the monopolies from becoming a public menace, have been well taken care of by the same roundly denounced monopolists.

With all his bitterness against trustified industries, a bitterness giving rise to political panaceas born out of a total failure to understand the development of economic forces, the facts of LaFollette's career weave the conclusion that he has done more talking but even less acting against these same cursed trusts than some of his reactionary colleagues with whom he has been working in the republican party for more than forty years.

Exploiters Welcome Bob's Program.

Under these circumstances it is not surprising to find Theodore Roosevelt, writing on "Wisconsin—Safety of Prosperity," in LaFollette's Weekly of June 3, 1911, declare:

"They made it evident not merely by words, but by deeds that they would not for one moment sanction any pandering to class hatred or any unjust assault on property rights. A big railway official, before I entered the state, had casually mentioned to me that if he had a just cause there is no tribunal in the country before which he would rather present his case than the Wisconsin railway commission."

Socialist Attacked Program.

Let us for a change listen to the Honorable Daniel Hoan, the socialist mayor of Milwaukee, who has just jumped on the LaFollette band wagon. In Hoan's pamphlet, entitled "The Failure of Regulation," and once officially circulated by the socialist party of America, we find the following glowing tributes paid by big business interests to the LaFollette "progressive" program:

"John L. Beggs, the general manager of the Milwaukee Traction Trust at the time, and concededly the shrew-

(Continued on Page 6.)

FOSTER SPEAKS AT YOUNGSTOWN SUNDAY AFTERNOON AND NIGHT

William Z. Foster, presidential candidate of the Workers Party, speaks Sunday at Youngstown, O., in the first big meeting in his presidential campaign. Located in the heart of the great steel industry, where Foster led the great strike of steel workers in 1919, Youngstown is a fitting place for this first great gathering. Thousands of workers are expected at the picnic at Avalon Park, Sunday afternoon, while at night Foster will speak at Ukrainian Hall, 525½ West Rayen Ave., Youngstown.

MAYOR HYLAN WILL SUPPORT DONKEY JOCKEY

Decides Morgan's Lawyer Is a Progressive

(Special to The Daily Worker)

NEW YORK, Aug. 13.—The announced support of Mayor John F. Hylan of New York to the Democratic nominee John W. Davis in the coming campaign, indicates that William Randolph Hearst, who is Hylan's backer, will not jump over the fence into the La Follette paddock but will find a plausible reason to support the Wall Street Democrat.

Hylan withheld his endorsement until after the acceptance speech of John W. Davis was delivered. The Mayor marked time until it was decided that Al. Smith would not run for governor of New York. Smith and the Mayor are bitter political enemies and it was believed that had the governor thrown his hat into the ring to succeed himself, Mr. Hylan and Mr. Hearst would cast their lots with the independent ticket.

ATMOSPHERE FOULED WITH POLITICAL OFFAL OF TWO MORGAN TWINS

(Special to the DAILY WORKER)

WASHINGTON, Aug. 13.—President Coolidge will put his speech containing his solution for the problems confronting the United States on the ether tomorrow night. Twelve high power radio broadcasting stations will be used to send Cal's message into every section of the country.

Coolidge suffers a serious handicap in having to apologize for Daugherty, Fall, Denby and Burns. His Democratic opponent will be kept busy explaining his relationship with Morgan. All in all it will be a merry campaign.

LaFollette's Progressivism Scares No One

(Continued from page 1)

est financier and dividend-maker which the Utility corporations have supplied in Wisconsin in recent years, gave out the following to the Morning Press of Milwaukee on November 24, 1907, in response to a request for a Thanksgiving Day statement.

"'I am thankful that the Traction affairs in the city of Milwaukee have gotten into the hands of the Railroad Commission of Wisconsin, an efficient body of men free from local prejudice, and capable of judging what is right.

"'It is the best thing that ever happened to the Milwaukee Electric Railway and Light Company. It will insure to the Company fair treatment, and to Milwaukee the best service we can give at a fair rate.

"'The report of that Commission, after its hearing on conditions regarding the city of Milwaukee here, was the best bill of health ever received by a Public Utility Corporation. The examination was satisfactory to us, and should be to the people, as it certainly was ably conducted by their city attorney.'"

Mayor Hoan, now a trusted LaFollette lieutenant, takes further pains to tell us that: "In an address delivered at Madison, February 21st, 1912, H. Draher, Manager of the Bond Department of the Marshall and Illsley Bank of Milwaukee, before the Wisconsin State Telephone Association, let the cat out of the bag when he stated that the regulation law had been of great benefit to the investors, and gave as his three reasons, in substance, the following:

"(a) The law removed the difficulties formerly experienced by corporations in obtaining franchises, in that the law itself gave a long and indefinite franchise permit to all corporations upon which a long term bond could be issued.

"(b) It eliminated what he termed cut-throat competition.

"(c) It guaranteed to the investor a return of the money invested by compelling the cities to pay the full value of privately owned plants, whether they wanted to or not, in the event the cities proposed to go into the business.

"Much the same spirit of capitalist satisfaction is expressed in the following extract from an editorial in the leading LaFollette Progressive paper for Wisconsin:

"'Measured, yet very strong, recommendation of the Wisconsin idea of controlling public service corporations was expressed by one of the largest bond and bank houses of the country—Spencer Trask, New York—in an article published Sunday in the Journal. These bond dealers say that public utility and securities issued under the Wisconsin system are in pronounced demand among discriminating bond buyers of the country and that they bring higher prices than bonds issued by unregulated public utilities elsewhere in command.

"'The Wisconsin idea of public regulation, the public control of service franchises and utility capitalization was at first mistaken for extreme radicalism; it was charged with being an attempt to control corporation business; it was considered with horror by the monied powers; it was considered an arch enemy of capital; a dark plot against Big Business; designed to confiscate the proceeds of 'thrift' for the mass of the common people."

The approval with which the LaFollette program has met at the hands of some of the biggest capitalist interests in Wisconsin is also very indicated in the following interview given Richard Barry, by an ex-official of the Northwestern Life Insurance Company of Milwaukee in Hearst's International for August 1922:

"'Some of us who fought LaFollette in the early days became his beneficiaries after his insurance and railroad acts got to working."

Employers Reward "Regulators."

Recently the country was quite stirred over the fact that William G. McAdoo utilized his prestige as an ex-cabinet officer in obtaining employment at the hands of big corporations, like the Doheny Oil interests and the Republic Iron and Steel Company. It is no secret that this profitable employment lost McAdoo the Democratic nomination and perhaps the presidency.

But in Wisconsin there have been many such cases of ex-railroad commission, or ex-public utility commission officers being employed by the very corporations they were regulating as soon as their terms of office expired. We will call upon so friendly a witness to Mr. LaFollette as Victor Berger to tell us of only a few of the outstanding instances where the LaFollette regulators were rewarded with handsome jobs by the supposedly victimized corporations.

Quoting from the Milwaukee Leader of August 6th, 1923, we learn:

"P. W. Doolittle, New York and Milwaukee, formerly of the Wisconsin Railroad Commission is employed by 'regulated' public utility interests.

"J. P. Cadby, Madison, secretary of the 'regulated' Wisconsin Electric & Gas Association, was formerly an employee of the Wisconsin Railroad commission.

"Edward Strait, a rate expert with the H. H. Byllesby company, was formerly with the Wisconsin Railroad Commission.

"Public utility corporations also have taken two of the four men who have been secretaries of the Wisconsin Railroad Commission during its existence.

"Harold Geisse, former secretary of the railroad commission, is now manager of the 'regulated' Electric Company at Wassau.

"C. D. S. Cheverell resigned last week as secretary of the commission to enter the service of the 'regulated' Middlewest Utilities Company, privately owned public utility corporation.

"H. J. Hagenah, former chief statistician of the Wisconsin Railroad Commission, is connected with Hagenah and Erickson Company of Chicago, consulting pubic utility statisticians, who rely on 'regulated' public utilities for their business.

"E. P. Gruhl, former statistician of the Wisconsin Railroad Commission is now vice president of the North American Company which owns among other properties the 'regulated' Milwaukee Electric Railway and Light Company.

"In Chicago you find the firm of Sloan, Hudele, Tuesdel and Freeman, consulting public utility engineers. Each member was a former employe of the Wisconsin Railroad Commission.

"Former Railroad Commissioner, Halford Erickson, who 'served the state' from 1905 to 1916, left the railroad commission to become a member of the firm of Hagenah & Erickson, Chicago, consulting public utilities statisticians, relying on 'regulated' public utiles for its business. At present he is vice-president of the H. M. Byllesby Company which owns many public utility properties and which recently acquired the Wisconsin-Minnesota Light, Heat and Power Company, one of the largest Wisconsin utilities.

"Then there is former Railroad Commissioner John H. Roemer, who 'served the state' from 1907 to 1915. Mr. Roemer is an officer of H. M. Byllesby & Company, 'regulated' public utility owners.

"Then there is Railroad Commissioner Walter Alexander, who 'served the state' from 1915 to 1917. He left the railroad commission for a position with the Chicago, Milwaukee & St. Paul Railway Company. At present he is managing Governor Philipps' Union Refrigerator Transit and Car Company, a privately owned public utility.

"A former railroad commissioner. Carl D. Jackson, bitterly remembered by Milwaukee citizens, 'served the state' from 1916 to 1922. He is now a public utility attorney in New York—general attorney of the National Electric Light Association and also for the National Gas Association, composed of 'regulated' privately owned public utilities. The latter was appointed by Governor Blaine whom LaFollette is today supporting for reelection.

"Bob" Talks More Than Fights.

LaFollette's state record shows that he has almost limited himself to talking rather than fighting against the monopolies. While he was casting amorous glances at the White House in 1912 and preparing for the presidency, the venerable Senator wrote in the following boastful attitude in his weekly of January 6th of that year:

"The general business conditions in Wisconsin conclusively show that instead of being retarded by progressive legislation Wisconsin has advanced financially and commercially more than the country taken as a whole. Since we organized our state banking inspection and supervision in 1904 there has not been a single bank failure among the 507 banks in that commonwealth with $22,000,000 of capital and surplus. The only failures have been those of national banks, thru embezzlement. During the years 1903 to 1910 the capital and surplus of all state and national banks in Wisconsin increased 54 per cent, whereas for the U. S. they increased 46.6 per cent.

"The clearing house exchanges for Milwaukee increased 117.5 per cent from 1900 to 1910 while for the United States the increase was about 100 per cent. Milwaukee increase was 11 percent greater than that of Chicago."

Again turning to one of the leading LaFollette strategists of today, Mayor Hoan of Milwaukee, we are further enlightened as to how LaFollette handled the big corporations with silk gloves while he was governor. In Hoan's "Failure of Regulation" we read: "Not only were trusts not prosecuted in Wisconsin while Senator LaFollette was governor but they have not been prosecuted before or since, in spite of the fact that there was then and is now a statute (Section 1791-j) which provides in substance that any corporation organized under the laws of Wisconsin which shall enter into any combination or agreement to prevent competition or to control prices, shall in an action to be instituted by the attorney-general of the state, have its charter revoked.

"The above statute has been on the statute books since 1897. Since that time we have had Democratic, Republican, Progressive, Tory, and lastly, Bull Moosely inclined governors.

"Notwithstanding this splendid variety, no trusts have been prosecuted in this state. All of this proves that if smashing the trusts is part of the 'Wisconsin idea' up to the present the idea has not materialized any tangible results.

"It is true that LaFollette recommended that the law be changed so as to provide for jail sentences. But the legislature which he controlled absolutely failed to heed this advice, and has not done so since."

Nor have any trusts been prosecuted since this date. And when Attorney-general Morgan of Wisconsin attempted to irritate some of the big corporations with fines and dissolution orders, Senator LaFollette hurriedly left Washington to get into the campaign in order to defeat Morgan for re-election.

Regulation No Weapon.

LaFollete is and has been trying to fly in the face of industrial development. The fact of the matter is that, economically, great industrial units are both desirable and inevitable. Instead of demanding that these highly organized industries be socialized and controlled by the working class, LaFollette has been seeking to return to the old system of numerous competitive small industrial units.

If attempted prosecution of trusts is to be considered a criterion of friendship to workers and poor farmers, then Coolidge and his anti-labor crew have at least as much right to be deemed friends of the working masses as the Wisconsin Senator. Since the Harding-Coolidge administration came into office it has brought no less than sixty-one anti-trust suits. The contractors and manufacturers in the building trades, the sugar, lumber, pottery, and harvesting machinery corporations have been amongst the targets of the reactionary Republican administration. Of course, nothing dangerous or harmful has hapepned to these groups of powerful exploiters.