

INAUGURAL ADDRESS

—OF—

LESLIE M. SHAW

Governor of the State of Iowa

—DELIVERED—

At His Second Inauguration

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INAUGURAL ADDRESS

Senators and Representatives, and Fellow-Citizens:

Within the biennium that has elapsed since it was my privilege to submit a similar address to the members of a preceding general assembly, much important history has been made. The first great altruistic war of the world has been fought, and the blessings of western civilization have been vouchsafed to two and a half million insular Americans. The only flag that never knew defeat has been carried in benison to new lands, and its unfurlment has cast a shadow upon no home. The United States, by honorable and constitutional purchase and treaty, is now the possessor of the Hawaiian Islands, of Tutuila in the Samoan group, of Guam, and of the Philippine archipelago, and has thus become the actual and acknowledged, as she has long been the natural and logical, mistress of the Pacific ocean. The whole round earth is throbbing with new life and vigor. New areas of agriculture, new opportunities for manufacture, new possibilities of commerce, and a new hemisphere for advancing civilization have swung into view like the transit of a world.

Surely these two years have been epoch-making, and in their closing months Iowa has been forcibly reminded of a previous crisis no less important. One hundred days ago our people stood with sad hearts and uncovered heads by the grave of the last to fall of those who served as cabinet officers by appointment of Abraham Lincoln. James Harlan entered the United States senate in 1855, and with Charles Sumner, Zach Chandler, Seward, Wade, Hale, and Fessenden—oh, how familiar are these names on the pages of American history—organized the first free soil society in that body; who in secret conference pledged themselves to resist the arrogant encroachments of slavery, and on all occasions fearlessly to proclaim the principle of human freedom, and the right of the North to a fair share of influence in the councils of the nation.

I have neither time nor inclination to review the political history of the eighteen years of senatorial and cabinet service of this great and brainy molder of thought, and leader of

action, nor to trace the influence of those years, and the issues formulated in councils and determined on battlefields, in molding the future of a great people. They are an inspiration to the race. Volumes have been written on the subject, and the field is yet and ever will be fruitful.

RETROSPECTIVE.

It may not be out of place in this presence to refer to some yet previous epochs. On the platform by my side is sitting a well-preserved and vigorous gentleman of eighty-five, who, when a boy of sixteen, pulled the throttle of the "Rocket," George Stephenson's first engine to ply between Manchester and Liverpool. To write the history, or produce tabulated comparisons even necessary to present the growth, of this industry in which Edward Entwistle was a pioneer, would exhaust the patience of all; and adequately to portray the influence of modern means of transportation, and facilities for travel, upon the world of thought, in the spread of Christianity, and in the advancement of all that goes to make this country the happy dwelling place of a great and cultured people, would be well nigh impossible.

Shall we extend our vision yet farther into the past? Sitting here by the side of this senior locomotive engineer of the world are two centenarians, each born in 1799; the one eight months before and the other five days after the death of George Washington. Conceding for the hour only the correctness of those who contend that this is the first year of the twentieth, then Noah B. Bacon and William Zimmer are children of three centuries. Wild and untutored daughters of the forest, who knew no reservation save that bounded by the seas, lingered at their cradles to jabber in Iroquois over the white papooses. All the progress, as it seems to us, that the world has ever made is compassed in the circuit of these lives. They clothed their children, as they had been clad, in homespun. They received a fair education, but not in public schools, for there were none in this country, and perhaps none in the world, outside of New England. They were reared on farms, but the one was married and the other engaged before the world had produced an iron plow. They had families of children about them when our friend here was making his trial trip on the "Rocket;" and this antedated any railroad in the United States. When eight years of age, they might

have seen Robert Fulton experimenting with his steam propeller on the Hudson, but must need have waited thirty years yet before they could obtain passage on a steamship across the Atlantic ocean. When the fire went out on their hearths they sent their children to borrow from their neighbors or resorted to the tinder-box, for they were thirty-five years of age when the first friction-match was struck. They may have been playing with grandchildren when the first telegram was sent, and with great-grandchildren when the first telephone call was rung. At the time of their birth every important nation of earth recognized, sanctioned, and protected slavery. Citizens of the United States were hunting the sons of Ham in the wilds of Africa and bringing them in American ships for disposition upon the auction-block, and had the express protection of the constitution of the United States in so doing. During their youth it was not uncommon for men to sell their wives at auction in "merry England." The record shows thirty-nine such sales in Smithfield the year they were sixteen. They were past forty before several of the states of this union reduced the number of capital offenses below a score. Penitentiaries in their day were dungeons, where the convicted and the accused, the murderer and the thief, the robber and the trespasser, the harlot and the debtor, were kept in common quarters, amid personal sufferings and without protection. They were lads in their teens during the war of 1812; might have carried muskets and fought with Wellington at Waterloo; had grandchildren about them when Mexico surrendered to General Scott; were too old to join the mad rush to California for gold in 1849; would have been rejected on account of age had they sought to enlist in the war of the rebellion; and were living on "borrowed time" when the "Iron Prince" welded the German empire, lugged the boundary line of France twenty leagues to westward, and dictated the treaty that ended the Franco-Prussian war. When they were born the union embraced sixteen states, and had in round numbers 780,000 square miles of territory. Their conscious memory antedates the Louisiana purchase, the acquisition of Oregon and Washington, the cession of Florida by Spain, the annexation of Texas, the surrender of California and contiguous territory by Mexico, the Gadsden purchase, and the acquisition of Alaska, not to speak of our insular possessions. They have lived to see the contiguous territory of the United States multiplied by

four, her foreign commerce by twenty-five, her population by fourteen and one-half, and her church membership by four times fourteen and one-half. This country has been ever expanding, and in this regard has been excelled only by Christendom.

But I would not occupy your time with comparisons, or impose facts of common knowledge and familiar reference. A glance backward can but serve as a tonic, and forward as an inspiration. Standing near the line that separates centuries, with the past and its wonderful history crowding in upon the present, and the future so big with possibilities luring onward, it behooves you and me, gentlemen of the Twenty-eighth General Assembly, to be thoughtful men. It should not be our privilege simply to review and rejoice over what has been done by those who have gone before, or to speculate concerning what may be accomplished by those who shall come after us. It is ours to study present conditions, and to discharge personal and official obligations so as to accelerate rather than to retard the ever turning wheels of progress.

RESOURCES OF IOWA.

Suppose we briefly take an invoice of our present possessions. Iowa, during several of recent years, could have annually furnished every man, woman, and child in the United States a pound of cereals per day for 365 days. This is a larger ration than the average people of the world consume. In addition, we would have potatoes and other vegetables, grapes by the car-load, apples (some years by the train-load), and other fruits; \$1,000,000 worth of canned goods per annum; 2,500,000 eggs a day; twenty-five car-loads of honey, and all the beef, and pork, and mutton, and butter, and cheese that can be produced on 8,500,000 acres of pasturage, and with 4,000,000 tons of hay. By feeding some of this grain we are able annually to slaughter 1,000,000 hogs and cattle worth \$15,000,000, and export 5,000,000 more worth \$65,000,000, and a half million dollars' worth of fat sheep.

We can keep our people from freezing with a product from Iowa mines of two and a half tons of coal per capita.

Not only is Iowa an agricultural state, but she is making a very creditable showing in manufactures. She ships woolen goods, spun and woven in this state, by the car-load to the best known wholesale firms in Philadelphia and New York,

shoes by the car-load beyond state lines, manufactured lumber into several states, and manufactured iron throughout the nation and into Europe, Asia; and Australasia. She produces annually 1,000,000 dozen pearl buttons, and gloves and mittens by the car-load. Besides these, all over the state small factories of different kinds are springing up.

Her facilities for producing beet sugar are unsurpassed. The beet growing lands of Europe cost per annum, in rent and fertilization, from \$15 to \$20 per acre. Most of the cane sugar lands cost, including water, quite as much. Iowa lands require no expense of this kind, and produce beets of unexcelled quality; and the pulp, after the saccharine matter is extracted, is claimed to be as good food for dairy cows as before their reduction. Shall we have sugar factories? The question must be speedily decided. What though it requires four or five hundred thousand dollars for each plant? There is over one hundred and sixty million dollars on deposit in the banks of Iowa to-day, of which more than one-third is owned by farmers, and in many counties of the state the farmers own 75 per cent of the bank capital also. I should be pleased to see beet sugar factories exempted from taxation for ten years. It is probable that if they are built considerable of the capital required will come from other states. Will we lose anything by inviting it hither?

GOOD ROADS.

The highways of Iowa ought to be greatly improved. Easy means of communication is the solution of all questions of commerce. Internal improvements distinguish energy and hopefulness from sloth and ignorance. I am convinced, from observation where the experiment has been tried, that it is far better to have highway taxes paid in cash, and expended with the same care and under like restrictions as protect the disbursement of other public funds.

OUR MERCHANT MARINE.

There are some matters of more general and national interest that I desire briefly to discuss at this time. Even in this most remarkable century, ever famous for its growth in wealth and material prosperity, there is one industry that has failed to advance with the years. I refer to our merchant marine. At

the beginning of the nineteenth century we were carrying ninety per cent of our foreign commerce in American ships. We now carry one-fifth or twenty per cent. Shall this continue? We are in possession of the Pacific ocean. Shall we build the ships requisite to its enjoyment? It is as truly ours, if we have the courage of our convictions, as are the islands that rise above its surface. Shall we not cut a passage way to it from the gulf, and develop to the fullest the trade which lies within our reach? To build a merchant marine will require both time and the same encouragement as the nations of Europe accord our maritime rivals. Never in the history of the world were such opportunities presented to any people as have come to us unsought, unplanned, and, I might say, unexpected. Our manufactories and our commerce are limited only by the capacity of the world to consume. The choice is presented of carrying it in American bottoms or buying transportation of Europe. The experience of the war and navy departments of the government during the last two years justifies the hope that soon the best shipyards in the world will find steady home employment, and that vessels built to fly the American colors will be accessible for all future demands.

GOOD MONEY.

The United States is conceded to be the great agricultural country of the world, and our manufactories find few rivals. There is no valid reason why we may not become the great commercial and financial center. But in order to do this we must have as good money as our European competitors. And what characterizes good money? I answer, certain and ready exchangeability. A due bill will remain at par so long as its maker maintains its exchangeability for legal funds at par on demand; and it will go to discount whenever the exchangeability fails. Silver is as good as gold only so long as it can be exchanged at par for gold. The principal objection made by those who contend against the free coinage of silver is based upon the fact that exchangeability is in no manner provided for, and it is believed that, left to themselves, gold and silver coin will fluctuate in value. The government should, I think, maintain the exchangeability of all its issue. Whoever has gold and prefers silver should have the absolute right to demand it in exchange. Whoever has silver and prefers gold should have the same privilege. The holder of greenbacks or

treasury notes should have guaranteed to him the absolute right of exchange for any kind of money that will better suit his convenience.

The first step in the direction of gold hoarding is an apprehension that in some way or by some means it will command a premium. There certainly can be no better way to safeguard the treasury than to guarantee exchangeability. I can see no increased danger by expressly providing for the exchange of silver for gold, and of gold for silver, than inheres in the redemption of greenbacks and treasury notes in gold. The proposition is logically correct. It is reasonable and right. The government issues a ten dollar treasury note for silver enough to coin twenty silver dollars, and provides for the redemption of the treasury note in gold. The transaction is as though the government paid ten dollars in gold for silver enough to coin twenty silver dollars. What though it coins but half of this? The profit in the transaction is represented by the seigniorage, and is held in the treasury. Is there any good reason why the government, having made the first exchange, directly or indirectly, of gold for silver bullion, should not make good the interchange of the silver coin for gold? If the silver bullion does not fluctuate in value, the redeemed silver coin, plus its complement of seigniorage, will sell on the market for ten dollars in gold. I therefore see no reason why the government should not protect its every issue of circulating medium by express provision for its redemption or exchange on demand for any kind of money that the holder may desire. Such a provision would be notice to the commercial world that every dollar of United States money is the equivalent of, and exchangeable for, 25.8 grains of gold, and would make a draft on New York as acceptable at the clearing houses of the world as one on London.

TRUSTS.

There is one other subject which to ignore, in an address on themes of public policy, would be considered bad manners. I refer, of course, to the question of trusts. Advanced civilization, improved opportunities, and great achievements have been accompanied with some ills to which former generations were strangers. There is no good that is not matched with evil. There is no height without a corresponding depth. The marvelous wealth that has been accumulated in recent years

throughout Christendom has not wholly equalized either comforts or luxuries. The distance which separates the grossly rich from the wretchedly poor does not decrease in proportion as opportunities multiply. Equality can be found only among savages. Travelers tell us that all Patagonian wives dive into the frozen seas and catch by hand the fish for their liege lords and children; that there are no castes, or classes, or social distinctions among them, for all eat their fish uncooked. But let a spelling-book and a new testament be dropped in among these people and all will be changed. What we call advanced civilization does not produce equality. I think the fact is universally regretted. I therefore speak, not in justification or with approval, but of conditions as I see them; that, seeing, we may be able to do our best to right the wrongs, to remedy the evils, and to make the pathway smoother and the burden lighter for the less favored.

Within the memory not only of our centenarian friends, but of many in the audience, there were no exemptions from taxation, no exemptions from execution sales, no statutory provisions for the protection of homesteads. I doubt not there are those present who have seen the last cow, the last pig, the last stick of wood, the last bushel of grain, and possibly the bread-bowl, taken by the sheriff in satisfaction of a debt. The people were all poor, and it occurred to no one to suggest protection for the weak. As wealth accumulated, legislators began devising means of protection for the less successful. With wages at fifty cents or less per day, and payable in barter and not in money, there was no danger to be feared from great aggregations of wealth. Our trouble may have arisen, in part at least, because we have been, as a people, what Matthew Arnold said of Chicago, "Too beastly prosperous." It is no fault of our laws, or of our humanity, or of our civilization that some are physically stronger than others; that some have better memory than others, or are better lawyers or doctors or financiers or cooks than others. The more favorable the condition the greater will be the separations. "Star Pointer" would make scarcely better time in deep mud than the veriest dray-horse; but improve the track, and his special speed endowments will become apparent, and the better the track the more apparent.

TO FIND THE EVIL.

Let us discover, if we can, the actual evil, for it certainly exists. Existing, we ought to be able to find it. Is the mere

possession of wealth objected to, or is it the improper use thereof? It cost \$50,000 to develop a certain gold mine, during the progress of which scarcely a penny was realized, and no one knew when, if ever, it would pay. Was any one harmed by the expenditure? The outlay was wholly by those who had the money, and the enterprise was voluntary. The money was expended for labor, and the wages, when earned, were spent for the necessaries of life, and thereby men and women were supported, children clothed and fed, and those who produced the grain and the vegetables, and the meat and the cotton, and the wool and the manufactured fabrics, were afforded a market and were given employment. The loss rested solely upon those who believed that later on they would realize something from their investment, and their hopes were not in vain. The next few years witnessed a yield from that mine of many millions. To whom did this wealth belong? To those who had assumed no risk or to those whose courage, enterprise, and hope had led to the development of a wealth-producing plant? Who was damaged or made poorer by the enterprise? At whose hearth was the fire extinguished by reason of this outlay? Whose children suffered through the night, and who were compelled to sit at empty tables? Evidently no one. I say that wealth itself is not harmful to this country, and the evil which we all recognize, and would each gladly remedy, lies not at its door.

A year or so ago, in a certain city, the believers in a particular school of politics gave a great dinner on the anniversary of the birth and in memory of a great statesman. They turned several hundred plates at ten dollars each. They seem to have had the money with which to do this, and it is presumed it was accumulated or inherited in such a manner that their title had never been disputed. Who suffered by this expenditure? Among those benefited was the poor fellow who fished for terrapin on the Georgia coast, or for oysters in the bay; the producer of butter from the prairie; the caterer and his waiters; the florist; and the decorator. Ten dollars per plate was scattered that night among the toilers of this country. No one was harmed and many helped. The wealth there represented injured no one that night.

The people of this country in 1889 spent \$17,000,000 for cut flowers. These aged gentlemen by my side never heard of "cut flowers" until they were grandfathers. Who received that

\$17,000,000? It went almost entirely for labor. Who spent it? Quite largely people who thought they could afford it. Some, it may be, was spent by those who preferred to appear able rather than to retain it. The choice, however, was voluntary.

I passed through the dining-room of a public house not long ago, and a friend pointed out a cut-glass dish that had cost possibly \$500, and he made the suggestion that doubtless four-fifths of the purchase price had been for labor and the balance was profit. Who is harmed by the cut-glass industry unless it be he who buys when his income is insufficient to justify the expenditure? I repeat that the naked fact of wealth, the mere production of luxuries, or the purchase of them, is not necessarily harmful, and must naturally increase the demand for labor and the volume of the world's earnings. If the mere existence or possession of wealth is not necessarily vicious, is the combination or aggregation of wealth harmful *per se*?

There are persons residing in this state to-day who, in making their first journey westward, bought a ticket at New York for Albany, then hired passage by carriage, and the transportation of their goods by dray, through the city, purchased another ticket and came to Buffalo, there to repeat the process, and again at Cleveland, then at Toledo, and ended their journey by rail at Chicago. Lest there should be combinations between the roads and a transfer of cars from one track to another, rather than a transfer of freight from one car to another, the roads were built of different gauge. As late as 1877 the tariff on a bushel of wheat from points on the Missouri river to Liverpool was 61½ cents; but at that time it went into warehouse at Chicago, changed hands, was reshipped, went into warehouse at New York, and perhaps at intervening points, and was several times handled and several commissions paid. A certain railway company now practically buys all the wheat offered at its stations; and, by reason of combinations with other roads and steamship lines, lays it down at Liverpool without the interposition of a single middleman or commission, and the freight rate on a bushel of wheat from Missouri river points to Liverpool is 32 cents. I am not so much as suggesting that it ought not to be less. I am only trying to show that the mere fact of combinations is not necessarily harmful, at least to the Western farmer. At the same time, I am not unmindful of the fact that the warehouseman of Chicago bitterly complains, the commission merchant files his protest,

and the laborer who operated the elevator and made the transfer and reshipment is thrown out of employment. We may prefer to return to the olden way, and transfer and reship, and pay commissions again and again, but I doubt if we ever shall.

MIDDLEMEN.

Many will remember that during the '70s there was a vigorous demand made to eliminate middlemen, as they were termed by speakers on the stump. It was then contended that one store could handle all classes of goods, and enough to supply every need in towns of ordinary size. It was urged that one factory was enough to make harvest machinery; and that all in excess of one constituted a burden upon the consumer, in that they increased the price by the amount of wages paid for traveling salesmen, rent charges, etc., etc. It was said that this one store should buy directly of the manufacturer, and that the jobber should be eliminated. Time has wrought the desired change; the prayer seems to have been, in a measure, answered. The department store (which it is not my purpose or province, or within my power, to defend) is here, and it handles all classes of goods and buys of the manufacturer, and frequently consumes the entire output of the factory, and the jobber and the traveling man are being eliminated. My only contention is that the conditions existing in the '70s were not wholly bad, but had their corresponding advantages; and that conditions so much desired then are not now wholly good, but have their complement of evil. I do not believe it was within the province of a legislature in the '70s to compel middlemen and small storekeepers and jobbers and traveling salesmen to retire from business, and I question the efficiency of legal provisions now to compel them to resume. Much as we may dislike it, "The old order changeth, giving place to new." I repeat, then, that aggregations and combinations of capital do not necessarily constitute the evil complained of. They may be and are dangerous, for they may, and frequently do, accomplish great harm, but they are not harmful *per se*.

MONOPOLIES.

The evil, gentlemen, as I discern it, is found in monopolies. I think those who contended at the trust convention in Chicago last fall that "trust" and "monopoly" should be treated as

synonymous terms were correct. I have yet to find the first man who has a word to say in extenuation or defense of monopolies. Gentlemen of the Twenty-eighth General Assembly, let it be your duty to crush every one within your reach, and, if you are successful, the people of this state will call you blessed, and every other state will take notice of your wisdom and good work, and will follow the course you shall have marked out.

I hope I may be excused from indulging in any very extended or detailed description of the pernicious effects of monopolies. This has been done so frequently that we may, I think, safely ask the defendant at this time to waive arraignment and the reading of the indictment. When the robins and jays are devouring my cherries I do not care to listen to my children's graphic amplification of the havoc they are producing. "Go and drive them off."

Many methods have been suggested for dealing with trusts and combinations, but some of them, I think, would open doors quite as dangerous as the ones through which have come these admitted evils. A governor of a great state, a learned and I am convinced a conscientious man, not long ago said he would forbid the sale of monopoly-produced goods within his state. Many in his audience cheered. If this be wise, gentlemen, and it can be accomplished, I hope it will be done in Iowa. But, first, what can be prohibited? The sale of intoxicating liquors has been prohibited in some states, but the inhibition rests upon the fact that intoxicating liquor is harmful in itself, at least in many instances, and the courts hold that the police authority of the state carries with it the right to prohibit the sale of that which in itself is harmful.

But can the sale of sugar be prohibited? Can the market be barred against nails, and wire, and lumber, and a thousand other things of universal consumption? Certainly not. All that my official brother could have intended was that he would prohibit the corporation which produced the article from doing business in his state. Very well. Let us follow this thought, and adopt it if wise. Suppose barbed wire is now produced by a monopoly, and I do not believe it a violent presumption. I doubt, gentlemen, whether a law prohibiting the sale of barbed wire in Iowa would be sustained by the courts. The present statute of the state expressly bars a recovery by any corporation, company, or firm, if it be proven at the trial that the

plaintiff is a trust or is guilty of having entered into any kind of an agreement or conspiracy to advance the price, or limit the output, of any article. Then, too, the person or firm or corporation can be heavily fined and punished, and its officers can be sent to jail.

Suppose you go further and make it a penitentiary offense for any officer or agent of a company, or person, to sell or offer for sale any goods made by a trust concern. Will the law be effective? Will prohibition prohibit? What would you advise county attorneys to do if some wholesale house in an adjoining state should sell barbed wire in Iowa that it had bought, perchance, of a trust or monopoly? Mark you, it is not the wire that has committed the offense. You cannot charge the product of the trust with moral turpitude and prohibit its sale or use, or bar the merchant, who simply sells it at a price which includes the profit of the jobber who lives beyond the confines of your state and who purchased of the trust. But suppose the statute be strong enough to prohibit the sale by any one, so that the article made by a monopoly shall itself be prohibited. Where will our farmers then go for wire? They will need some in the spring. I cannot but think my friend had failed to follow his suggestion, of prohibition, to its logical conclusion.

COMPETITION.

Not long ago, in a public address, a learned man of national reputation whose utterances I have come to regard very highly, and to read with great interest, made the suggestion that whenever competition failed it was the duty of the government to make provision for its return. This was not his language, but it was his thought. This read very well; and it has been referred to with editorial approval by some of the leading papers both East and West. If it is sound, it ought to be followed, for competition is the desideratum.

If the government is to legislate competition into existence, how shall it be done? I assume that no one will introduce a bill making it mandatory upon any person, who has sufficient capital, to engage in manufacture. Does he intend to have the government offer such a bounty, or provide such a subsidy, as that competition will naturally spring up? If such a course be contemplated, why not begin with a subsidy for a merchant marine? Here is a great trust, a monopoly. Foreign ships

carry our commerce and successfully stifle all competition. Our ships cannot compete with vessels that receive a bounty from their governments. I confess that I see more reasons for subsidizing an industry that has to compete against a subsidy than I do for offering a bounty to encourage competition against a monopoly that is charging exorbitant prices. The exorbitant prices themselves ought to create competition, and will under ordinary conditions. It is an easy matter, gentlemen, to generalize on these subjects. It is quite the reverse when one commences to draft a bill in specific terms. My judgment is that in this instance the gentleman to whom I refer is a better orator than he would be legislator. The provinces of the two are quite distinct.

PUBLICITY.

Suppose we adopt the policy so frequently recommended, and which to my mind is the most feasible of anything I have yet seen suggested, and require all corporations within the state to make report of the expenditures of their capital; and disclose what amount of water, if any, their stock carries; then require annual reports under oath, setting forth a general summary of their operations, the amount of business done, the expenditures for salaries, for material, and for labor, gross sales, and net profits. If these reports discover a large profit, will it not invite competition? Suppose there be ten millions engaged in the business, can not ten other millions be found, if the enterprise yields a ten per cent dividend? Most certainly. There is plenty of capital in the country seeking investment. Any enterprise that will insure six per cent can be capitalized and its stock floated, and to any amount. There is, however, gentlemen, one difficulty in sight. You have no authority to compel a corporation organized in a sister state to make report to any officer of this commonwealth. It is true you can prohibit its entrance into this state. You can exclude its agents and salesmen until it shall have furnished such a report as you may require; but as we have seen you can not prohibit it from selling its goods to a jobber who lives across the line, and he can sell it in this state, plus one profit. You can, I think, by this plan of publicity, successfully guard against the existence of trusts and monopolies on Iowa soil. But you will not thereby invite capital to cross the Mississippi river into this state. You may invite it out. Let me illustrate

my meaning. Eastern capitalists have caught a glimpse fruitful Iowa, and it is not uncommon for them to refer to her as a "dimple on the face of nature." There is now being formulated a scheme for the organization of a company with ten millions capital to develop the beet sugar industry of Iowa. It may or may not go up in thin air. For the purpose of this discussion it is unnecessary to determine that question here. The investors expect, at least they so claim, to reap large profits. They claim that beet factories, in other places in the United States, earn from twenty to fifty per cent profit, and waste the pulp; and they think much more can be realized with provision for saving the by-products. Suppose, gentlemen, you place upon the statute-books of this state a law requiring corporations to make disclosure of their profits, is it probable that this company will build its proposed ten or twenty 500-ton plants in Iowa, or will it build them in some state that has less objectionable legislation? And twenty beet sugar factories would not constitute a monopoly. The price of sugar would certainly not be increased thereby. The value of land in the vicinity of the plants might be enhanced. The company would take the risk of a removal of the present tariff on sugar, which would quite probably drive it out of business. It would also take the chance of inducing the farmers to grow beets, for without beets the plants would be worthless.

Do not let the suggestion of beet sugar plants stand in the way, gentlemen, of any legislation which may to you seem wise. I speak of it not to give assurance that the plants will be built. I know nothing about that, but I refer to it as an illustration. The same principle will be applicable to any other industry which may seek a home. Capital has the power of locomotion, and its rendezvous, like that of individuals, is always where it receives the kindest treatment. You can compel capital neither to come nor to stay. You can suggest that its room is preferable to its company, and it will heed the suggestion.

If all the states of the Union could be induced to unite upon some single policy, I would have no fear of successfully combating trusts in this country. They might be built up abroad, but they could then be effectually reached by means of a tariff. If monopolies are to exist anywhere, I prefer them in this country, and would as soon submit to the domination of the steel rail trust with its factories built and operated in Iowa

as where they are. If you can devise some way to bring about uniform legislation, so that capital shall find no more welcome elsewhere than in this state, it will be my pleasure to co-operate with you; or, if you can devise some statute which will relieve our people from the domination of monopolies either at home or abroad, I shall be glad to add my signature when the bill shall be presented for approval.

These evils did not exist in the first half, or to any extent in the first seventy-five years, of the century. They are of modern growth, and like every other growth, animal and vegetable, are incident to conditions. Change the conditions, and you change the fauna and flora of every country and every mountain side. Any legislation that will bring widespread financial disaster and ruin will result in the abolition of trusts and combines, and will dissipate all aggregations of capital. I think it is generally conceded that the trust problem must be solved by the national congress rather than by state legislatures. I have, therefore, referred to the subject, and perhaps indulged in a discussion of unnecessary length, rather to stimulate thought and investigation than to recommend specific legislative action.

I have already briefly referred to the recent death of one of Iowa's most honored and best beloved citizens, whose public service was varied and of great value to both state and nation. Hon. James Harlan, Iowa's first superintendent of public instruction, was elected to the United States senate in 1855, where he served with distinction until appointed secretary of the interior by Abraham Lincoln, which office he held during the administration of Andrew Johnson. He died at his home in Mt. Pleasant, October 5, 1899.

Hon. Cyrus C. Carpenter was register of the state land office from 1867 to 1871, representative in the Seventh and Twentieth General Assemblies, member of the Forty-sixth and Forty-seventh Congresses of the United States, and for two terms, 1872 to 1876, governor of this commonwealth. He died at his home in Fort Dodge, May 29, 1898.

Hon. Samuel Merrill, was representative in the Eighth General Assembly, commanded a regiment in the civil war, governor of Iowa for two terms, 1868 to 1872, and died in Los Angeles, Cal., on the 3d day of August, 1899. His remains were brought to Des Moines, his family home, and there interred.

Hon. James H. Rothrock died January 14, 1899. He was a

field officer in the volunteer forces during the civil war, state senator in the Ninth General Assembly, judge of the district court of Iowa from 1867 to 1876, and judge of the supreme court from 1876 to 1897.

Hon. John S. Woolson served with distinction as an officer in the United States navy during the civil war: was for twelve years a member of the state senate; in 1891 he received the appointment as judge of the United States district court in and for the Southern district of Iowa, and died in office on December 4, 1899.

Hon. Chas. L. Davidson, railroad commissioner of Iowa from 1894 to his death, died suddenly at his home in Hull March 15, 1898. He was a member of the house of representatives in the Nineteenth General Assembly of Iowa.

Hon. Levi S. Gates died suddenly during his first term as dairy commissioner, on October 11, 1898.

Charles A. Schaeffer, LL. D., president of the State University of Iowa, from 1887, died at his home in Iowa City on September 23, 1898.

Dr. Henry A. Gilman, for many years superintendent of the insane hospital at Mt. Pleasant, died suddenly in that city during his term of office on October 9, 1898.

These, each and all, led honorable lives, discharged public service faithfully, were much beloved by those who knew them personally or were associated with them officially, and are mourned by the people of their state.

In beginning the second term of service as the chief executive, there is little I can say likely to dispel any existing apprehensions, and less that will inspire confidence if that be wanting. Before the succeeding general assembly shall convene to inaugurate my successor the nineteenth century will have passed into history. Nothing is too great or noble or exalted to be confidently predicted of the people of Iowa, and no measure of hopeful expectancy is likely to transcend the consummation which shall be realized in the years that are to be.

