Combinations in industry are the result of an imperative economic law which cannot be repealed by political legislation. The effort at prohibiting all combination has substantially failed. The way out lies, not in attempting to prevent such combinations, but in completely controlling them in the interest of the public welfare. For that purpose the Federal Bureau of Corporations is an agency of first importance. Its powers, and, therefore, its efficiency, as well as that of the Interstate Commerce Commission, should be largely increased. We have a right to expect from the Bureau of Corporations and from the Interstate Commerce Commission a very high grade of public service. We should be as sure of the proper conduct of the interstate railways and the proper management of interstate business as we are now sure of the conduct and management of the national banks, and we should have as effective supervision in one case as in the other. The Hepburn Act, and the amendment to the act in the shape in which it finally passed Congress at the last session, represent a long step in advance, and we must go yet further.

There is a wide-spread belief among our people that, under the methods of making tariffs which have hitherto obtained, the special interests are too influential. Probably this is true of both the big special interests and the little special interests. These methods have put a premium on selfishness, and, naturally, the selfish big interests have gotten more than their smaller, though equally selfish, brothers. The duty of Congress is to provide a method by which the interest of the whole people shall be all that receives consideration. To this end there must be an expert tariff commission, wholly removed from the possibility of political pressure or of improper business influence. Such a commission can find the real difference between cost of production, which is mainly the difference of labor cost here and abroad. As fast as its recommendations are made, I believe in revising one schedule at a time. A general revision of the tariff almost inevitably leads to logrolling and the subordination of the general public interest to local and special interests.

The absence of effective State, and, especially, national, restraint upon unfair money-getting has tended to create a small class of enormously wealthy and economically powerful men, whose chief object is to hold and increase their power. The prime need is to change the conditions which enable these men to accumulate power which it is not for the general welfare that they should hold or exercise. We grudge no man a fortune which represents his own power and sagacity, when exercised with entire regard to the welfare of his fellows. Again, comrades over there, take the lesson from your own experience. Not only did you not grudge, but you gloried in the promotion of the great generals who gained their promotion by leading their army to victory. So it is with us. We grudge no man a fortune in civil life if it is honorably obtained and well used. It is not even enough that it should have been gained without doing damage to the community. We should permit it to be gained only so long as the gaining represents benefit to the community. This, I know, implies a policy of a far more active governmental interference with social and economic conditions in this country than we have yet had, but I think we have got to face the fact that such an increase in governmental control is now necessary.

No man should receive a dollar unless that dollar has been fairly earned. Every dollar received should represent a dollar’s worth of service rendered—not gambling in stocks, but service rendered. The really big fortune, the swollen fortune, by the mere fact of its size acquires qualities which differentiate it in kind as well as in degree from what is possessed by men of relatively small means. Therefore, I believe in a graduated income tax on big fortunes, and in another tax which is far more easily collected and far more effective—a graduated inheritance tax on big fortunes, properly safeguarded against evasion, and increasing rapidly in amount with the size of the estate.