

It is not too much to say that I have never once had the beginning of an answer to this question. Usually one is told with great seriousness that the problem of color is one of the most difficult that we have to consider. The conversation then breaks up into long stories and unfavorable statements about black people.

Whatever America has to show in heroic living today, I doubt if it can show anything finer than the quality of will, the constant effort hundreds of black people are making today to live blamelessly, honorably, and patiently. They get for themselves what scraps of refinement, learning, and beauty they can. They keep their hold on a civilization they are begrudged and denied. They do it not for themselves only but for all their race. Each educated colored person is an ambassador to civilization. They know they have a handicap. Yet each one, I like to think, is aware of being a representative, fighting against injustice, insult, and the unspeakable meannesses of bigoted enemies. Every one of them who remains decent and honorable does a little to beat that opposition down.

But what patience the Negroes need! They cannot ever show contempt. They must regard as superior those whose daily conduct is clear evidence of moral inferiority. Negroes must go to and fro self-controlled, without all the equalities that the great flag of America proclaims—that flag for which black people fought and died. Negroes must take second place to

A sharecropper family in Virginia, 1900



the strangers who pour in to share the nation's wealth, strangers ignorant even of its language. That Negroes must do—and wait. The Welsh, the Irish, the Poles, the white South, and the Jews may have grievances and complain aloud. Negroes must keep still. The others may be hysterical, revengeful, threatening; their wrongs excuse them. For Negroes there is no excuse. And of all the races upon earth, which has suffered such wrongs as this Negro race? Those people who scorn them have sinned against them beyond all measure.

No, I can't help idealizing the dark submissive figure of the Negro in this spectacle of America. The Negro seems to me to sit waiting—and waiting with a marvelous and constant patience—for finer understanding and a nobler time.

READING REVIEW

1. (a) What was the important question that Wells asked about black people? (b) What kinds of answers did he receive?
2. Why did Wells admire black Americans?
3. According to Wells, what future did the black person have?
4. (a) What role did Wells see the educated black person playing? (b) Do you agree or disagree with the view expressed by Wells? Explain your answer.

170 A Muckraker's Attack on Big Business

The muckrakers told Americans of the many abuses in their society. Their books and articles made many American readers deeply concerned about the consequences of the great industrial growth and business consolidation then taking place. The muckrakers brought many of the unfair business methods and practices of large industries to the attention of the public.

Probably the most famous of all muckraking reports about American industry was Ida Tarbell's *History of the Standard Oil Company*. In this series of newspaper articles, which later became a book, Tarbell exposed the practices and policies of that giant monopoly.

READING FOCUS

1. What practices have made Standard Oil a monopoly?
2. What solutions did Ida Tarbell suggest to eliminate monopolistic practices?

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The profits of the present Standard Oil Company are enormous. For five years the dividends have been averaging about \$45 million a year. When we remember that probably one third of this great yearly profit goes into the hands of John D. Rockefeller, that probably 90 percent of it goes to the few people who make up the "Standard Oil family," the Standard Oil Company becomes a much more serious public matter than it was in 1872, when it began to take over the oil business.

For, consider what must be done with the greater part of this \$45 million. It must be invested. The oil business does not need it. It has money for all of its ventures. The money must go into other industries. Naturally, these other interests will be connected to oil. One such interest will be gas, and we have the Standard Oil people steadily taking over the gas interests of the country. Another will be railroads, for all industries depend on transportation. Besides, railroads are one of the great consumers of oil products and must be kept in line as buyers. So we have the directors of the Standard Oil Company acting as directors on nearly all of the great railways of the country. They will go into steel, and we have Mr. Rockefeller's great holdings in the steel trust. They will go into banking, and we have the National City Bank and its connected institutions in New York City and Boston, as well as a long chain running throughout the country.

No one who has followed this history can expect that these holdings will be bought on a rising market. Buy cheap and sell high is a rule of business. When you control enough money and enough banks, you can always work it out so that a stock you want will be temporarily cheap. No value is destroyed for you—only for the original owner. This has been one of Mr. Rockefeller's most successful maneuvers in doing business. The result is that the Standard Oil Company is probably in the strongest financial position of any organization in the world. And every year its position grows stronger, for every year another \$45 million is poured into taking over the property most essential to keeping and broadening its power.

Adapted from Ida M. Tarbell, History of the Standard Oil Company.



Ida Tarbell

In spite of the Interstate Commerce Commission, the crucial question is still that of transportation. Until the people of the United States have solved the question of free and equal transportation, there will always be a trust question. As long as it is possible for a company to own the carrier on which a great natural product depends for transportation, and to use this carrier to limit a competitor's supply or to cut it off entirely, it is foolish to talk about constitutional amendments limiting trusts. As long as the Standard Oil Company can control transportation, as it does today, it will remain master of the oil industry. The people of the United States will pay a high price for oil because of their indifference in regard to transportation. And they will see an increasing amount of natural resources and transportation systems owned by the Standard Oil monopoly.

If all we suffered was limited business opportunities for a few hundred men and women and a constantly rising price for refined oil, the case would be serious enough. But there is a more serious side to it. The ethical cost of all this is the main concern. We are a commercial people. We cannot boast of our arts, our crafts, our culture. Our pride is the wealth we produce. As a consequence, business success is holy. We justify practically any methods to achieve it.

Very often people who admit the facts, who see that Mr. Rockefeller has employed force and fraud to obtain his ends, justify him by declaring, "It's business." That is, "It's business" has come to be a legitimate excuse for hard dealing, sly tricks, special privileges. It is a common enough thing to hear people arguing that the ordinary laws of morality do not apply in business.

Now, if the Standard Oil Company were the only company in the country guilty of the practices which have given it monopolistic power, this story never would have been written. But

it is simply the most outstanding example of what can be done by these practices. The methods it uses with such skill, constancy, and secrecy are used by all sorts of business people, from corner grocers up to bankers. If exposed, they are excused on the ground that this is business. If the point is pushed, frequently the defender of the practice falls back on the Christian doctrine of charity, and points out that we are only human and must allow for each other's weaknesses! If this excuse were carried to its logical conclusion, our business people would be weeping on each other's shoulders over human weakness, while they picked each other's pockets.

And what are we going to do about it? For it is *our* business. We, the people of the United States, and nobody else, must cure whatever is wrong in the industrial situation, typified by this account of the growth of the Standard Oil Company. It is clear that our first task is to obtain free and equal transportation privileges by railroad, pipeline, and waterway. It is not an easy matter. It is one which may require severe methods. But the whole system of rate discrimination has been nothing but violence. Those who have profited by it cannot complain if curing the evils they have caused brings hardship to them. At all events, until the transportation matter is settled, and settled right, the monopolistic trust will be with us, a barrier to our free efforts.

As for the ethical side, there is no cure but in an increasing scorn of unfair play—an increasing sense that a thing won by breaking the rules of the game is not worth winning. The business person who fights to obtain special privileges, to crowd competitors off the track by unfair methods, should be treated just the way we treat the doctor or lawyer who is "unprofessional" or the athlete who abuses the rules. Then we shall have gone a long way toward making business a fit profession for our young people.

READING REVIEW

1. According to Ida Tarbell, how were the large profits of the Standard Oil trust being used?
2. (a) What was the key to Standard Oil's monopoly? (b) What evidence did Tarbell present to support her viewpoint?
3. What did Tarbell believe was the "ethical cost" of the oil industry monopoly?
4. List two solutions Tarbell suggested to break Standard Oil's monopoly.

171 On Trusts and Business Reform

President Theodore Roosevelt was a skilled politician whose bold acts and personality captured the imagination of Americans. His efforts to regulate the trusts made many Americans think of him as the leader of the progressive movement. In fact, he was less a crusader than many other progressive reformers. He believed that reform had to come slowly and had to be carefully planned.

However, Roosevelt did make an enormous contribution to the progressive movement. His popularity and his support of many of the progressive aims helped to publicize the movement and gained it widespread support. The following selection is from Roosevelt's first annual message to Congress in 1901.

READING FOCUS

1. Why did most Americans feel trusts were harmful?
2. Why did President Roosevelt urge caution in dealing with corporations?
3. What business reforms did President Roosevelt advocate?

The tremendous and highly complex industrial development which went on during the last half of the 1800's brings us face to face, at the beginning of the 1900's, with very serious social problems. Old laws and old customs were once quite enough to regulate the accumulation and distribution of wealth. They are no longer enough.

The growth of great industrial centers has meant a startling increase, not only in wealth itself, but in the number of very large individual and corporate fortunes. The creation of these great corporate fortunes has not been due to the tariff, nor to any other governmental action, but to natural causes in the business world, operating in other countries as they operate in our own.

The process has created much opposition, a great part of which is wholly without cause. It is not true that as the rich have grown richer the poor have grown poorer. On the contrary, never before has the average wage-earner,

Adapted from James D. Richardson (comp.), A Compilation of the Messages and Papers of the Presidents, Vol. X 1789-1902.