The report of Secretary Herbert to Congress this week laid bare one of the most gigantic frauds known in our naval administration.

Carnegie, Phipps & Co. had a contract with the United States for the manufacture of armor-plates for the navy. Examination brought out the fact that the job was performed in a careless catch-penny style: the armor was not tempered evenly and properly; blow-holes had been concealed and plugged; and plates, that were selected for a test by the Government inspectors at the works, had been *secretly re-treated at night, re-annealed and re-tempered so as to make them better and tougher than the group of plates of which they were to serve as samples*. The investigation showed these frauds to have been perpetrated without the knowledge or connivance of the Government, and to have been the work of the Company's employees. After a careful investigation, the Government fined the Company in the amount of $140,489.

He who persists in looking behind the returns, reading between the lines, and getting at the bottom of words, will be confronted with one of two alternatives from which there is no escape, and either of which confirms emphatically a fundamental principle in Socialist philosophy.

Either Carnegie, and others, the leading proprietors of the Corporation that perpetrated the frauds upon Government, knew or did not know anything about them. What is the position of these “captains of industry” in either case?
Secretary Herbert, together with the President, whom the matter was referred to for final decision, take intense, painfully intense, pains to exonerate these “captains of industry” of any knowledge or complicity in the frauds. Nevertheless, the report is very full upon the precautions taken by the Navy Department to protect the informants, all of whom were employees of the Company, and indemnify them for the injury they would suffer from being discharged and blacklisted by the Company. The question is imperative: “Why should those employes run any risk of being discharged and blacklisted unless they thwarted a scheme of their bosses?” Nor can the answer be escaped: “The employes, who reveal frauds omitted WITHOUT the knowledge of their boss, deserve well of him; such employes enable their boss to clear himself from the suspicion that, otherwise, would be sure to attach to him; so far from running the risk of discharge, much less of blacklisting, such employes should be able to rely upon their boss’ esteem for vigilance in his service. Discharge and blacklisting can be inflicted only by a boss caught in fraud, who then determines to punish those who gave him away.” That feature of Secretary Herbert’s report would justify the conclusion that Carnegie, Frick and the rest of these gentry knew what was going on, and that they were perfectly willing to swindle the Government and expose our navy to be sunk by foreign guns.—Socialist philosophy teaches that “Patriotism” on the lips of the capitalist means his purse only; that, as the quotation at the head of this week’s columns puts it, before the capitalist is American or English, Irish or Scotch, French or German, he is an exploiter.1 To him “Patriotism” is only a word to fool gulls with. What cares he for Country, Land or Flag? Let all go to

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1 “He [the capitalist] rises above those trivial bounds which divide mortals into separate fatherlands and parties. Before he is American or English, Irish or Scotch, French or German, the capitalist is an Exploiter. He is only incidentally a republican, a democrat, a monarchist, a conservative or a so-called radical....” Paul Lafargue, The Religion of Capital.
wreck or ruin provided his pockets bulge by the crimes he commits!

But let the other alternative be accepted as true; let Secretary Herbert’s and President Cleveland’s opinion be accepted as correct; and let these “Captains of Industry” be spoken free of guilt; let it be admitted that they knew nothing of what was going on in their mills when in the still hours of midnight the “sample” plates were “re-treated,” what is the conclusion?—Off with their crowns, down with their scepters as “Captains of Industry”! Socialist philosophy teaches that the capitalist is an idler, a sponge on society, a fellow who performs no useful service whatever, all his work being done by paid employes, by the working class!

Whatever alternative is preferred, Socialism is confirmed, and the light in which the Fricks and Carnegies stand damns them as ulcers on the body of the Commonwealth.

If they knew of the frauds, they were knaves, and should be treated as such.

If they knew not of the frauds they are sponges, and should be removed.

In either case they must go.
And so they shall!

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One or t’Other


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