



From the sixth floor to the Copper Dome : The companys political influence in montana, 1920-1959
by Bradley Dean Snow

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Arts in History
Montana State University

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Abstract:

This thesis deals with the Anaconda Company (ACM) and its relationship to the -political culture of the state of Montana. The thesis aims to test the validity of longstanding beliefs of “Company hegemony” over the state’s politics while also gauging the relative level of interest and participation in state politics by the industrial giant. In addition, the thesis probes the methods employed by the company in its efforts to influence Montana politics. It encompasses the 1920-1959 era, but focuses in depth on the progressive governorship of Joseph M. Dixon (1921-25), the challenge it represented to preferred Anaconda Company policies, and its response to that challenge. Dixon’s reelection campaign of 1924 provides a focal point for the study of the Anaconda Company’s electoral tactics and techniques. Among other resources, the author made use of old Montana newspapers, ACM records, the collected papers of Joseph M. Dixon, and a wide variety of secondary sources, in the course of compiling data for this thesis.

The thesis finds that the Anaconda Co., along with its longtime partner the Montana Power Company, did in fact care deeply about the outcomes of Montana political contests. It played an extremely important role in affecting the state’s politics during the period under study. The Anaconda Co. generally advocated against “liberal” measures (e.g., increasing benefits for the state’s workers’ compensation plan), that would tend to increase its operating costs. It also worked to defeat “liberal politicians” who inclined to support such measures. The ACM compiled a daunting record of political success in the state; rarely was it defeated outright in a political battle during the period under study. Although unchallenged as the leading actor on the state’s political stage for much of this period, the Anaconda Co. falls short of being a true “political hegemon” or “industrial dictator” for the state of Montana. It had to rely upon too many uneasy political alliances and was seriously challenged by its political adversaries too regularly for such legendary titles to ring true.

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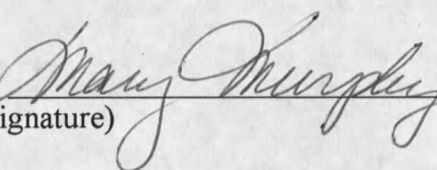
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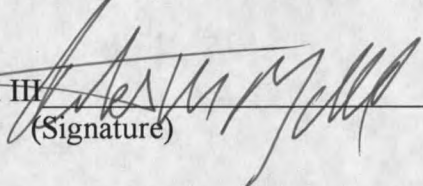
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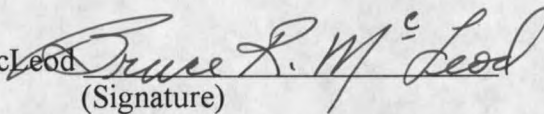
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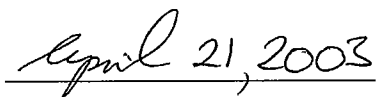


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Abstract

This thesis deals with the Anaconda Company (ACM) and its relationship to the political culture of the state of Montana. The thesis aims to test the validity of longstanding beliefs of "Company hegemony" over the state's politics while also gauging the relative level of interest and participation in state politics by the industrial giant. In addition, the thesis probes the methods employed by the company in its efforts to influence Montana politics. It encompasses the 1920-1959 era, but focuses in depth on the progressive governorship of Joseph M. Dixon (1921-25), the challenge it represented to preferred Anaconda Company policies, and its response to that challenge. Dixon's reelection campaign of 1924 provides a focal point for the study of the Anaconda Company's electoral tactics and techniques. Among other resources, the author made use of old Montana newspapers, ACM records, the collected papers of Joseph M. Dixon, and a wide variety of secondary sources, in the course of compiling data for this thesis.

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INTRODUCTION

After the Heinze war was over and the subsequent purchase of the Clark interests, the Amalgamated...owned the city of Butte – its mines, public services, some of its stores, its press, usually its government. It controlled, though less obviously, half a dozen other major cities of Montana, and still does. It owns most of the state's daily newspapers, including Butte's two and the two in Helena, state capital, and because of its dominant business position it usually is able to dictate to the few it does not own. Company agents do its bidding within some of the unions, in chambers of commerce, in hundreds of political offices, on school boards, in taxpayers' associations, on bank directorates, in real estate companies...

"The Company" has controlled virtually every Montana legislature since it drove Heinze from Montana. Its legislative organization of lobbyists, entertainers, writers, and bill clerks is so far superior to the state's own machinery that newspapermen tell (but not in print) of incidents when states employees appealed to the Anaconda's Helena offices for help on some confused point. -- Joseph Kinsey Howard, 1943

I think I know perfectly well what the Anaconda Company will try to do to me. They'll try to do to me just what they have done to everyone who ever tried to oppose them...They own the State. They own the Government. They own the press.... First I'll be roasted from one end of the State to the other. Every newspaper will print my shortcomings, real or fancied, in the largest type. All the mud and all the bricks in the State will come hurtling in my direction.... They probably won't assassinate me; they use more subtle methods now.... If the Company prevents me ever returning to Congress, I'll at least have the satisfaction of having done what I could for my constituency while I was here. -- Jeannette Rankin, quoted from a *Washington Times* interview, 1917.

"The plain fact is that Montana people *think* Anaconda runs the state, whether or not it does..."-- John M. Schlitz, Montana legislator and Billings attorney, 1956

The Anaconda Company's legendary domination of Montana politics appears to be part and parcel of the longtime industrial giant's historical reputation. There exists a widely held view, of long extent, that "the Company"¹ simply ran the politics of the State of Montana as it saw fit, brooking no opposition to its political agenda either from large groups of citizens or from mere elected officials. Those subscribing to this view tend to portray Anaconda's large paid staff of lawyers and lobbyists, its ownership of a majority of the daily newspapers in the state, its ties to numerous elected officials and important businessmen throughout the state, along with its willingness to spend large amounts of money on political activities, all as evidence both of the Company's desire and ability to exercise sway over the political affairs of "the fiefdom of Montana." Among other things, this thesis will attempt to gauge the validity of this view of the Anaconda Company's political sway over the state of Montana. The paper will also endeavor to explain in some

¹ The Anaconda Company underwent a number of name changes throughout its long history. Following shortly upon the discovery of large deposits of copper on the Butte Hill in 1882, Marcus Daly and his financial associates began an active, large-scale, copper mining operation there. In 1891 they incorporated as the Anaconda Mining Company; the company was reincorporated as the Anaconda Copper Mining Company in 1895, with Daly now clearly in charge. The company was purchased by a Rockefeller syndicate in 1899 and was absorbed into the giant Amalgamated Copper Company. At this time the company moved its corporate headquarters to New York City. It was also at this time that Marcus Daly ceased directly running the company and became a senior executive with Amalgamated. In 1915 the Amalgamated trust was dissolved and the company was renamed the Anaconda Copper Mining Company. Although its Standard Oil-dominated holding company was no more, the company retained its corporate headquarters in New York. In 1957, the company underwent yet another name change, this time becoming simply the Anaconda Company, a change that clearly emphasized the diminishing importance of copper mining for the corporation. The company retained this name until it was absorbed by the Atlantic Richfield Company (ARCO) and ceased to exist as an independent corporation in 1977. Throughout this paper I will refer to it as "Anaconda" or "The Anaconda Company," or, less formally, as "the Company" (as it was popularly known in Montana during its lifetime). In 1912, John D. Ryan, then the President of Amalgamated, was instrumental in forming the Montana Power Company, which became the dominant electric utility in Montana until its demise in 2001. In Montana the Anaconda Company and the Montana Power Company were commonly known as "The Twins" or as "The Companies." I will use this terminology throughout the paper to refer to these corporations when they operated, or were perceived to operate, in conjunction with one another.

detail the "ways and means" that the Company employed in its efforts to affect Montana politics, along with the relative success of these techniques.

As the nearly century-long life of Anaconda (1891-1977) would be too great a span to allow for an intensive study of its political activities vis-a-vis the state of Montana, this paper will focus particularly upon the Company's efforts during the 1920s. This period is of particular interest for a number of reasons. First, it coincides with the period in which Anaconda became an international behemoth with its purchase of the giant Chuquicamata copper mines in Chile and of the Connecticut-based American Brass Company, the world's largest brass fabricator. Secondly, in the early part of the decade, the Company was faced with a worldwide crash in the copper market and the repercussions of a similar decline in agricultural markets that greatly affected the farmers and ranchers of Montana. Thirdly, for the first time since its vanquishment of the copper baron Augustus Heinze in 1906, the Company faced extensive political opposition to its preferred policies in its native state. Perhaps owing to a rising tide of progressivism that was belatedly cresting in Montana, and perhaps also to frustrations caused by the economic depression that was gripping the state, the Company was forced to deal with calls for "tax equalization" (i.e., an end to the significantly preferential tax treatment that was granted to the mining industry under the state's 1889 Constitution), cries to end the Company's supposed dominance of the state's political landscape, and a seeming flood of candidates who were avowed opponents of the Company. Undoubtedly shocking to Anaconda was the fact that it faced three successive gubernatorial candidates who openly challenged it and its favored policies. Although it proved successful in defeating all three, in 1920 the

Company was forced to choose "the lesser of two evils," following the defeat in the primaries of the candidates that it had supported. The Company "held its nose" and supported the progressive Republican Joseph Dixon over Burton K. Wheeler, a young Butte attorney who had garnered the nominations of both the Democrats and the Non-Partisan League, a radical farm organization that had considerable support in Eastern Montana. Following Dixon's resounding victory over "Bolshevik Burt," the Company had to contend with a forceful, intelligent, highly experienced political battler who represented a number of public policies that they were bound to oppose.

The centerpiece of Dixon's agenda as governor was the issue of tax equalization, which Wheeler and the Non-Partisan League also had favored. At the heart of Dixon's tax equalization plan lay the desire to alter the 1889 Montana Constitution's guarantee that the mining industry would only have to pay taxes on its "net proceeds" (of course, as determined by the mine owners) as opposed to its gross proceeds. With an ongoing statewide depression and the resultant decline in state revenues, the issue was important to the short run solvency of the state government as well as to long- (and short) term issues of tax equity. The Company and its conservative allies quickly determined to undermine both the governor and his agenda, which threatened their pocketbook and their relative degree of control over state politics. The resultant "political war" between the Company and its allies and Governor Dixon and his supporters sheds much light upon Anaconda's political goals and tactics in the early to mid-1920s.

In the end, it appears that the Company may have "won the battle, but lost the war" in its great struggle with Governor Dixon. In a nasty and very expensive campaign, the

Governor lost his bid for re-election in 1924 to "Honest John" Erickson, a Kalispell judge who was widely perceived as "the Company's candidate." However, at the same time Dixon's principal idea, tax equalization, was adopted by popular vote with the resounding passage of the Metals Mine Taxation initiative, better known as I-28. The Company and its allies faced another progressive Republican in 1928, former state Attorney General Wellington D. Rankin. Although as Attorney General, Rankin had broken with the increasingly polarizing Governor Dixon, by 1928 Rankin was singing a different tune. Running for governor in the independent, anti-Company mold of Wheeler and Dixon, Rankin contended that if elected, he would "cut the private phone line" between the ACM's offices in Butte and the Capitol building in Helena. Rankin, however, followed in the footsteps of the previous anti-Company gubernatorial candidates and was defeated by Governor Erickson. Analysis of these three gubernatorial elections along with Joseph Dixon's tenure as a crusading "anti-Company" Montana governor, should provide a fruitful window upon Anaconda's political predilections and methods in the state during the decade of the 1920s.

This thesis will also examine, albeit in a less comprehensive fashion, the role played by the Company in state politics during the period lasting from the onset of the Great Depression until the end of the 1950s. The late 1920s and early 1930s constituted a period of significant change for the Anaconda Company as it consolidated its newspaper holdings and began to experience some separation from its "Twin," the Montana Power Company. During this period Anaconda also faced the ravages of the Depression, the death of its longtime corporate head, John D. Ryan; the heightened role of the federal

government in state and corporate affairs that was ushered in by the New Deal; and the reemergence of an emboldened union movement within its workforce. There is evidence that the Company shifted its attitudes and policies somewhat at this time in order to accommodate to a vastly changing environment. Although the Company's fundamental goals remained essentially the same as they had always been – namely, to protect its “interests,” broadly defined, and preserve the status quo – its tactics underwent a major shift in the late 1920s and early 1930s. Two principal areas of change for the Company involved how it handled its newspapers and its workforce. In both cases the Company adopted a seemingly more benign approach in the service of its longstanding corporate ends.

By 1929, the Company had consolidated its network of Montana newspapers. Through its subsidiary, the Fairmont Corporation, the Company purchased a controlling interest in eight of Montana's daily newspapers, constituting a 55-60% share of the state's newspaper market. Instead of using its newspapers to hammer home political messages, as it had done with abandon throughout the 1920s, the Company papers now adopted an opposite tack and sought to eschew all controversy. It was at this time that the Company papers began to be widely known as among the blandest and most uninteresting reading fare in the nation, or simply as “monuments to indifference,” as historian Richard Ruetten called them. Political opponents generally were no longer attacked in the Company press; they were simply ignored, as were news stories unfavorable to the Company. “The great gray blanket” of the new, bland style of Company journalism descended over Montana in the early 1930s. It would not be lifted until the Company's sale of its newspapers in 1959.

Also in the 1930s the Company displayed a new style of dealing with its workers. In response to New Deal reforms that guaranteed collective bargaining and closed shop rights to unions, the Company backed away from the "mailed fist" approach to workers' unions that had characterized its dealings in the 1910s. Indeed, in 1934 the Company recognized in-house workers' unions for the first time since 1918, acceded to a number of union demands following the long strike of 1934, and even began to treat workers with greater respect and dignity on the shop floor. This is certainly not to say that the Company fundamentally changed its goals with regard to labor; it undoubtedly still wanted to extract as much work for as little cost from its workforce as possible. The Company recognized, however, that the changed circumstances of the New Deal environment required that it adopt different methods of dealing with its labor force.

In the wake of the return of young veterans from World War Two, the Company was faced with an emboldened union movement and a resurgent liberalism in the state. It responded to this challenge with a combination of accommodation and opposition. While treating its powerful unions with outward respect and even deference, the Company fought mightily to defeat many of their legislative proposals. For example, in the 1940s and 1950s the Company mounted major, effective campaigns to defeat union-backed legislation that would have increased the amount of benefits paid by the state's workers compensation system or that would have expanded the system to cover silicosis victims (in Montana, the bulk of these were former Anaconda employees).

While perhaps not as naked about its political preferences and activities as it had been in the 1920s, the Company still engaged actively in electoral politics in the 1929-59

period. These efforts also will be a focus of examination for this thesis. Of interest is the Company's apparently intense dislike for the ultra-liberal Montana Congressman, Jerry O'Connell (1937-39), which led to the collaboration with its onetime nemesis, Democratic Senator Burton K. Wheeler, in an effort to bring O'Connell's political career to an early demise. The Company also supported Wheeler's further efforts, during the late 1930s and 1940s, to purge the state's Democratic Party of such powerful New Deal liberals as Senator James A. Murray. In the late 1940s and 1950s, the Company continued to support conservative, generally Republican, candidates for statewide office, over their liberal and Democratic counterparts. In this early Cold War era, it often endorsed "red scare tactics" that portrayed such liberal icons as James A. Murray, Mike Mansfield, and Lee Metcalf as, at the least "unpatriotic," and at worst as downright "communistic."

The Company's early 1920s transformation from a very large Western copper concern whose assets were primarily located in one state, Montana, to a gigantic, vertically integrated, multinational corporation with intercontinental holdings, merits at least a brief discussion. In 1922-23 the Company, under the leadership of John D. Ryan and Cornelius F. Kelley, purchased first the Connecticut-based American Brass Company, the world's largest fabricator of non-ferrous minerals², and then the mammoth Chuquicamata copper mines of northern Chile, the world's richest copper mines. Through these purchases the Anaconda Copper Mining Company became the world's fifth largest corporation.³ The

² Isaac F. Marcossen, *This Is Anaconda* (New York, Dodd, Mead & Co., 1957), 168.

³ David M. Emmons, "The Price of 'Freedom': Montana in the Late and Post-Anaconda Era," *Montana: The Magazine of Western History* 44 (4) 1994, 66.

bold moves granted the Company a large permanent buyer for its copper, the American Brass Company, along with a way to add value to its raw product. At the same time, the purchase of a majority interest in the Chuquicamata mines appeared to guarantee that the Company never would run out of a source of inexpensively mined copper, just as its Butte mines were beginning to become increasingly expensive to mine profitably. Cold corporate logic might have indicated that this was the time for the Company to begin pulling out of "the Treasure State." Suddenly, the Company's geography had dramatically shifted. The Company might well have sold its increasingly less profitable Montana assets, and focused on its role as a global copper producer and fabricator. At the very least, one would think that the Company would have wanted to withdraw from the expensive and often messy field of Montana politics now that it had seemingly outgrown its native state. While it might have made good sense for the Company to battle tooth and nail with F. Augustus Heinze and W.A. Clark when the bulk of its assets were located in the Butte Hill, now that Butte and Montana represented but a fraction of the Company's holdings, such involvement in Montana politics seems to have been far less necessary. And yet the Company persisted on as usual in its intense political activities in the state. In 1924, the Company launched what may have been the greatest political battle of its history in its attempt to defeat Governor Joseph Dixon and the Metal Mines Taxation Initiative. In 1928, the Company again fought a major Montana campaign, this time to defeat Wellington Rankin's bid for the governorship. In a move that represents a growing, rather than a declining, interest in manipulating Montana's social and political culture, in the middle and late-1920s the Company was busily consolidating its control

over a majority of the state's daily newspapers. All of this suggests that in issues relating to its native state, especially those involving its politics, the Company took a parochial interest that was out of keeping with its status as a leading multinational corporation and the rationales that such corporations are supposed to follow. Through the 1950s, the Company apparently even tried to influence the outcomes of school board elections (and presumably other local elections as well) affecting the "Company town" of Anaconda.⁴ The most likely explanation for all of this appears to be that, despite the Company's New York headquarters and multinational status, its Montana-bred leaders from the 1880s-1955, Marcus Daly, John D. Ryan, and C.F. Kelley, maintained strong ties to the state and powerful desires to influence its politics. It does not seem coincidental that shortly following Kelley's death in 1957, the Company sold its Montana newspapers and was supplanted by the Montana Power Company as the state's leading political actor.

An interesting, unresolved question regarding the Company and its political clout in Montana concerns the issue of its supposed preeminence in all matters political. Was it, as some have contended, something akin to an "industrial dictator" in the state, able simply to snap its fingers and have its will done without question? Or was it more of a "first among equals," the leading actor in a shifting group of largely conservative, pro-business interests that shared a number of broad goals, such as maintaining low taxes on corporate incomes and keeping state regulation of industry to a minimum. There is evidence that those in the state who generally shared interests with the Company (e.g.,

⁴ Laurie Mercier, *Anaconda: Labor, Community, and Culture in Montana's Smelter City* (Urbana, IL, University of Illinois Press, 2001), 103-04.

bankers, large ranchers, and fellow mine and timber owners) did not have to be coerced into supporting Company-endorsed positions and candidates. If this latter scenario more closely resembles the truth than does the former, then it might be necessary to question whether in fact the Company really dominated state politics or if instead a loose coalition of pro-business conservatives (most certainly including the Company) did so. This thesis will attempt to shed some new light on this dilemma. In addition, the further issue of whether either "Company hegemony" or "conservative hegemony" over Montana politics really has existed, or if this is more of a myth than a reality, will be discussed.

The extent of "Company power" in Montana along with the ways in which it utilized that power, have been the focus of much discussion and debate among Montana historians. Indeed, there exists a rather rich historiographical tradition on these, and related, subjects. For years the dominant viewpoint was charted by Montana journalist Joseph Kinsey Howard and by University of Montana historian K. Ross Toole, writing from the 1930s-80s. The Toole-Howard thesis held that the state of Montana was essentially a thralldom of the giant Anaconda Co. The Company extracted the state's ores, exhausted its workers, despoiled its lands, dominated its economy, and ran its politics so that no challenge could ever upset its interests or weaken its hegemony over the state. The Toole-Howard thesis is an essentially negative critique of the Company's role in the state, a critique which holds the Company responsible for many of the social, political, and environmental ills that have befallen Montana. Beginning in the mid-1970s, Montana State University historian Michael Malone began to challenge some aspects of the Toole-Howard thesis. First, he argued that its picture of Montana as an Anaconda Co.

satrapy was far too simplistic. Contending that the Company's domination of the state had never been so great as suggested by Toole and Howard, Malone reminded readers that the Company always had been forced to rely upon "fragile and awkward alliances with other corporate powers and conservative interest groups" to maintain influence in the state.⁵ As further evidence of the Company's lack of complete hegemony in the state, Malone recalled the consistent, and sometimes successful, efforts of the state's liberal farm-labor axis to elect candidates and score other electoral victories over Company opposition. Although Malone did not discount that the Company had wielded tremendous power in Montana, that it had generally proven victorious in its political battles, and that its efforts at times had sorely corrupted the state's politics, he disputed the Toole-Howard view of virtually complete, unchallenged Company dominance of the state.

In the 1990s University of Montana historian David Emmons staked out a position that went significantly farther than Michael Malone's. In fact, Emmons' position on the Company's relationship to the state represents virtually a complete reversal of the Toole-Howard thesis. Emmons refers to the state's "alleged subservience to ACM" and appears even to call into question the proposition that the Company once wielded great power in the state.⁶ He contends that accepting the Toole-Howard thesis has lured generations of Montanans into the "ultimate self-indulgence" of blaming all of their problems on "sinister outside forces."⁷ Moreover, Emmons argues that if such Company hegemony over Montana politics existed, the state should have been completely "liberated" into a

⁵ Michael P. Malone, *The Battle for Butte: Mining and Politics on the Northern Frontier, 1864-1906* (Seattle, University of Washington Press, 1981), 214.

⁶ Emmons, "The Price of 'Freedom' 71.

bright self-determining future in 1977, the year of the Anaconda Co.'s demise. Pointing to the state's rapid economic decline since the Company's exit, Emmons suggests that the state actually was much better off when the Company was actively operating than it has been subsequently.

This thesis falls somewhere in between the polar Toole-Howard and Emmons positions regarding the role and scope of the Company in Montana affairs. As such, it is stepping into the broad "middle ground" on these questions, territory that has been sculpted by Michael Malone. Much of the evidence in this thesis displays the extent to which the Company *cared intensely* about Montana politics and used its tremendous resources to gain its objectives in that arena. As cases in point, in both the gubernatorial elections of 1920 and 1924, the Company faced major party candidates whom it was determined to defeat, B.K. Wheeler in 1920 and Joseph Dixon in 1924. In both instances it deployed the many weapons in its arsenal to achieve its objective. Among the most prominent of these were: its newspapers, field agents, operatives and politicians in both parties, paid advertisements, its lawyers and lobbyists, paid speechmakers, and substantial amounts of cash. In both instances the Company prevailed by significant margins over able politicians with strong liberal support. Surely it is incorrect to suggest that the Company did not wield substantial power in the state of Montana. Perhaps the degree of that power was not as great by the 1950s as it had been in the 1920s; surely by the late 1960s the Company retained but a shadow of its former sway in the state. Still, the Company undeniably cared a great deal about Montana politics during the era under

⁷ Emmons, "The Price of Freedom," 67.

study in this thesis, 1920-59, and proved successful in the bulk of its political endeavors in the state.

This is not to say, however, that the Company exercised anything like "absolute sway" or complete "political hegemony" over the state during this period. Had such been the case, it is unlikely that the Company would have needed to rely as it did upon constantly shifting alliances with fellow conservatives, other large business interests, and sometimes even such "progressives" as Burton K. Wheeler and Joseph Dixon. Had the Company truly been the state's "dictator," surely it would have been able to defeat such patently adverse legislation as the 1924 Mine Metals Tax Initiative (I-28), but it could not do so. Surely the deeply conservative Company wished the defeat of such powerful liberals as Senators Thomas J. Walsh, Burton K. Wheeler, James A. Murray, Mike Mansfield, and Lee Metcalf, but all went on to long and distinguished Congressional careers. If Montana were truly but a "fiefdom" of the Company's, then how does one explain the legacy of a long-lasting, resilient and sometimes successful opposition to its preferred policies and candidates? In examining the question of the relationship between the Company and the state of Montana, it does not seem accurate to portray the Company in either the Manichean terms of the Toole-Howard thesis or in the overly benign light of Emmons' approach. This thesis, which stands firmly in the historiographical "middle ground" of the debate surrounding Anaconda Company-Montana relationship, seeks to carve out some new territory in which the Company's *actual role* in Montana history can be better assessed.

This thesis also will touch upon, and in some cases delve fairly deeply into, a number of broad sub-themes. These include: the Company's use of its newspapers for political purposes and how that changed over time; the type and scope of lobbying efforts that the Company employed, both at the legislative and the grassroots levels; the sorts of issues and candidates on which the Company tended to focus its political efforts; how the Company generally dealt with its workers and how that shifted over time, and the ways in which the Company tried to influence social and intellectual trends and manipulate its own corporate image within the state.

Chapter One will offer a relatively brief synopsis of the pre-1920 background of Anaconda's political efforts and reputation in Montana. Its primary focus, however, will be upon the Company's role in the 1920 gubernatorial election and its subsequent battles with Governor Joseph M. Dixon over tax reform and other keystone policies during his 1921-25 term in office. Chapter Two will be devoted to the epic 1924 Montana gubernatorial campaign, which squarely pitted the Company and its allies against Governor Dixon and his cadre of supporters. Chapter Three focuses on the 1928, anti-Company gubernatorial bid of Wellington Rankin, along with the Wheeler-Dixon rematch in the Senate race of that same year. It also will examine in a more general way the Company's role in the 1929-1959 period in Montana political history. Particular attention will be paid to the Company's efforts to defeat such liberal politicians as Jerry O'Connell and Lee Metcalf, along with its various campaigns at the state level to derail such "liberal legislation" as the many union-backed bills and initiative efforts to expand

the state's workers' compensation system. The methods and discourse(s) employed by the Company in its political efforts both will be the subject of close study in this chapter.

POLITICS MAKES STRANGE BEDFELLOWS: THE ELECTION OF 1920 AND JOSEPH DIXON'S TURBULENT GOVERNORSHIP

In order to assess the relative role and scope of the Anaconda and Montana Power Companies' political activities in Montana during the 1920s, it is useful to examine the history of "the Company's" previous political activities in the state.⁸ This synopsis will aim for relative brevity and will attempt to detail only the most relevant events from the pre-1920 period.

The involvement of Marcus Daly and the Anaconda Company's unincorporated predecessor in Montana politics dates back to the 1880s. This decade witnessed the

⁸ I will commonly refer to the Anaconda and Montana Power Companies as "the Company" throughout this thesis. This term reflects both the way that the entities were broadly perceived in Montana and as their interlocking nature. In point of historical fact, however, it should be noted that the companies' relationship with each other changed over time, as the M.P.C. became increasingly independent of its onetime master. The relationship between the "Montana Twins" can be placed into three distinct phases, dating back to the Power Company's founding by Anaconda Co. chieftain, John D. Ryan, in 1912. In the first phase (1912-early 1930s), the two corporations appear to have really operated as "the Company," with interlocking Boards of Directors and fundamental Anaconda suzerainty over the power company. In the early 1930s serious rifts began to develop between the two over the issue of the non-supply of previously contracted power from M.P.C. to the Anaconda Company, due to ice caps on the Missouri River. Anaconda refused to pay for the non-delivered power. This dispute resulted in extensive arbitration and even litigation between the two companies. These disputes led to greater autonomy on the part of each of the companies, as each began to perceive the exclusivity of its own interests apart from the other's. The death of John D. Ryan in 1933 also surely eased the transition to a more independent relationship between the two companies. This marked the start of the second phase of the M.P.C.-Anaconda relationship (early 1930s - 1958). In this phase the companies still collaborated, for example, often working quite closely with one another to battle common political foes, but they also could have disagreements and each was largely free to pursue its own interests. A sign of the still-close ties between the two companies, however, is the fact that during this phase the companies continued to share the services of Anaconda's Legal Department, which handled both companies' legal and political efforts in both Helena and Washington, D.C. Of course, such Anaconda luminaries as Con Kelley, L.O. Evans, and Dan Kelly had worked in this Department. In a sign of the final split between the two companies, and of the achievement of real autonomy by Montana Power, the two severed their common legal department in 1958. Henceforth, M.P.C. would conduct its own legal and lobbying efforts with an in-house legal staff. This marks the beginning of the third phase in the companies' relationship (1958-1977) in which the two companies were fully independent of one another and pursued their own separate interests. By the late 1950s, with the demise of longtime Anaconda strongman C.F. Kelley and the sale of the company's Montana newspapers, Anaconda actually became a lesser force in the state than M.P.C. Although the two would still collaborate on issues of mutual concern, the true era of "the

convention resulting in the state's original constitution. At this convention, held in 1889, the state's mining interests, led by Marcus Daly and his fellow copper baron William A. Clark (who also served as Convention President), attempted to insure long-term financial protection for their industry by inserting a provision in the state constitution holding that mines could be taxed only upon their net proceeds. A previous constitutional convention had been held, in 1884. Interestingly, Clark and Daly also had played significant roles at this earlier convention, with Daly serving as a Silver Bow County delegate, and Clark serving as Convention President, as he would again in 1889. In 1884, as they again would five years hence, the two mining giants pushed for the adoption of a tax only upon the "net proceeds" of the mining industry. As some of Daly and Clark's fellow delegates complained, such a provision effectively tied the hands of future legislatures with regard to their options for sources of taxable revenue. They also pointed out that no other industry was offered such protection from taxation in the state's fundamental law. Despite these arguments, the mining interests carried the day and the "net proceeds" provision became part of the state's original 1889 constitution. The bonds of collegiality and collaboration between Daly and Clark were soon to wear thin, however, leading to the onset of the infamous "War of the Copper Kings."

In 1888, W.A. Clark decided that it was time to move on from his Montana-based, capitalist empire to bigger and better things. He yearned for high political office and had set his sights upon becoming Montana's territorial delegate to Congress (Montana would

achieve statehood the following year). At the time, the state was strongly Democratic and following his nomination by the party, there is little wonder that Clark felt that his election to the coveted post was imminent.⁹ But on November 10, 1888, the returns reduced Clark's certain victory to ashes. Strangely, such normally Democratic strongholds as Butte, Anaconda, and the western Montana lumber towns had reported unusually high vote tallies for the Republican candidate, Thomas H. Carter. Clark immediately thought he "smelled a rat," for Butte, Anaconda, and the western lumber communities also happened to be strongholds of Marcus Daly's Anaconda Company. Clark vehemently accused his fellow-Democrat, Daly, for having engineered his defeat. Although Daly denied having played any role in Carter's victory, it is almost certain that Daly used his position and clout as the head of Anaconda to thwart Clark's initial bid for Congress.¹⁰ Regardless of Daly's reasons for acting as he did in this matter, W.A. Clark certainly was not the type to simply "forgive and forget." The ensuing "war" between the two copper giants would dominate the state's political life for the next dozen years.

⁹ The dominant Democratic Party was itself dominated at the time by the state's industrial elite, which included not only Clark and Daly but also Sam T. Hauser and C.A. Broadwater.

¹⁰ K. Ross Toole, "The Genesis of the Clark-Daly Feud," in *Montana's Past: Selected Essays*, eds. Michael Malone and Richard Roeder (Missoula, Mt.: University of Montana Press 1973), 290. Toole suggests that Daly's reasons for secretly opposing Clark had to do, not with the oft-discussed personality conflicts between the two men, but with Daly's far more practical concern that the Republican Carter be elected to deal with a likely Republican President (Benjamin Harrison) over timber cutting issues that were of vital importance to Anaconda's bottom line. In a more recent examination of the 1888 election and the genesis of the Clark-Daly feud, Western historian David M. Emmons suggests a different explanation. He asserts that ethnic rivalries played a fundamental role in the election, suggesting that the Scotch-Irish, "Anglophilic" Clark alienated the traditionally Democratic "Irish vote" to such an extent that it naturally defected to the Republicans in 1888 to vote for their fellow Irish Catholic, Thomas Carter. Emmons asserts that Daly did not need to "instruct" his Irish Catholic workers to vote for Carter, that Clark's ham-handed dealings with their community more than convinced both Daly and his fellow Irish Catholics to support Carter. See David M. Emmons, "The Orange and the Green in Montana: A Reconsideration of the Clark-Daly Feud," in *The Montana Heritage: An Anthology of Historical Essays*, eds. Robert R. Swartout, Jr. and Harry W. Fritz (Helena, Mt.: Montana Historical Society Press, 1992), 149-70.

The next major battle to pit the two mining giants against one another came in 1894, and concerned the naming of Montana's capital city. By now the state was divided politically into Daly and Clark camps.¹¹ Daly's supporters championed the bid of the town of Anaconda, which Daly had founded as a smelter town. Clark and his supporters backed Helena. The battle was fierce and very expensive. One estimate holds that, all told, about \$1.5 million was spent on the campaign. Clark alleged that Daly spent over a million dollars; Daly responded that it had only been about \$350,000. In the end, Helena won out in a very close popular vote over the smelter city. One of Clark's chief, and perhaps most persuasive, arguments had been that a vote for Helena was a vote against domination of the state by a single corporate entity (i.e., Anaconda). Thus began a long tradition of populist or pseudo-populist, "anti-Company" politics in the state, ironically launched by a wealthy, conservative capitalist who essentially shared Daly's political philosophy. Although Clark's anti-Company argument undoubtedly played a significant role in the town of Anaconda's defeat in the capitol fight, as Western historian Michael Malone has written, "...beyond a doubt, it was only the free spending of Clark and [Samuel T.] Hauser that saved Helena from Daly's onslaught."¹² This points to the rise of another long-lasting trend in Montana politics: the tendency of free-spending mining interests to skew the state's political culture.

In 1899-1900 the Daly and Clark forces waged another round of their epic battle. This time the issue concerned Clark's efforts to fulfill his obsession of becoming a U.S.

¹¹ K. Ross Toole, *Montana: An Uncommon Land* (Norman, Ok.: University of Oklahoma Press, 1959), 182.

¹² Malone, *Battle for Butte*, 104.

senator, and once again, Montana was the backdrop for a huge, expensive political drama. According to Michael Malone, the contest would become infamous as, "one of the most remarkable, most sordid political spectacles in the history of the United States."¹³ By this time Anaconda had acquired and developed a substantial newspaper, the *Anaconda Standard*, to rival Clark's *Butte Miner*. Determined to best Clark's *Miner*, Daly hired a "capable" and experienced, Yale-educated journalist named John H. Durston to mold the newspaper. According to Montana historian Michael Malone, "...Durston made Daly's *Anaconda Standard* into the state's best newspaper."¹⁴ As the campaign progressed it became clear that both sides would deploy the papers as political weapons. At the time the state legislature selected Montana's U.S. senators and the *Standard* began busily spreading reports that Clark's agents were bribing legislators. Indeed, in Helena rumors abounded regarding Clark's willingness to spend freely to achieve his political objective. It was said that Clark intended to "lay out \$1,000,000, if necessary" to get elected and that legislators individually could make "a cool \$10,000" if they would come

¹³ Malone, *Battle for Butte*, 111.

¹⁴ Michael P. Malone, Richard B. Roeder, and William L. Lang, *Montana: A History of Two Centuries* (Seattle, University of Washington Press, 1991), 367. The *Standard* would become the first of many "Company newspapers" in the state. By the late 1910s, the Anaconda Company exercised effective control over a number of other Montana dailies, including the *Missoulian*, the *Helena Independent*, the *Livingston Enterprise*, and the *Billings Gazette*. The *Butte Miner* and the *Great Falls Tribune* were independently owned at that time, but both were quite conservative and usually sided with "the Company" on political questions. Together, these Company-owned, Company-influenced, and Company-allied newspapers were commonly referred to as the "interlocking press." By 1929, the Anaconda Company had purchased outright eight Montana dailies and commanded 55-60% of the statewide newspaper circulation. The Company controlled this in-state newspaper empire through its subsidiary, the Fairmont Corporation, until 1959 when it sold its Montana newspapers to the Lee Newspaper chain. In the course of this thesis, I will sometimes use the term "interlocking press" to refer to the Anaconda-owned, -influenced, and -allied newspapers of the state, particularly of the pre-1929 era. The term "Company press" will be used specifically to refer to those newspapers that were owned outright by the Anaconda Company, and often will be employed in reference to Anaconda's newspaper empire circa 1929-59. For more information on the subject of Anaconda's newspapers, see Malone, Roeder, and Lang, 366-69.

to terms with the senate-obsessed tycoon.¹⁵ Then came the real shocker. A state senator, Fred Whiteside, rose on the floor of the legislature and produced four envelopes containing \$30,000 in currency. He claimed that they had been given to him by agents of W.A. Clark, for the purpose of buying his' and four other legislators' votes. The newspapers now each went into high gear, with the *Standard* trumpeting that "Clark's bribers" had been "caught red handed" and the *Miner* reporting that the "Daly crowd" had sprung "a damnable conspiracy" upon the good Mr. Clark. In the statewide press war that ensued, the Clark forces appeared to gain the upper hand, as "the large majority of Montana papers defended Clark and disparaged his accusers."¹⁶ Even Senator Whiteside's hometown newspaper, the *Kalispell Inter Lake*, joined in the widespread attack on him. This trend in the press apparently owed to the Clark forces' skillful cultivation of the media in the months preceding the legislative session. According to Malone, "During the months prior to the opening of the legislative session, the Clark people had carefully groomed the state press, subsidizing and investing in some papers and even treating editors to free "informational" trips to Helena."¹⁷ Meanwhile, a grand jury was selected to investigate the whole affair and balloting for the senate seat continued. The Daly forces were shocked when the grand jury reported that there was not enough evidence to return an indictment against Clark; eighteen days later Clark was elected to the Senate.

¹⁵ Malone, *Battle for Butte*, 113.

¹⁶ *Ibid.*, 116.

¹⁷ *Ibid.*

Although Clark appeared to have bested Daly in the third round of their struggle, Daly was not done yet. Although gravely ill in New York, Daly began a fight to have Clark removed from his Senate seat on the grounds that he had obtained it through fraud. He had the Anaconda Co. hire a detective to dig up evidence against Clark. Extensive hearings were held by the Senate's Committee on Privileges and Elections. In the end, the Committee reported against Clark, and on May 15, 1900 he resigned from the Senate. Clark, however, had one final trick up his sleeve. While the pro-Daly governor was out of state, Clark arranged for the lieutenant governor, a Clark loyalist, to appoint him to fill the Senate vacancy that had just been created by his own resignation. The pro-Daly governor, Robert B. Smith, was informed promptly of the plot. He rushed back to the state, and rescinded Clark's appointment. At this point, W.A. Clark's desperate bidding for a senate seat appeared to have been forever thwarted.

Enter F. Augustus Heinze, the third leg of the triangle in the famous "war of the copper kings." Heinze, who has been alternately described as a "buccaneer," an "adept pirate," and an "industrial desperado," would employ a clause in federal mining law known as the Apex Law to challenge Anaconda's claim to much of the Butte Hill, at the time the source of its vast copper riches. Heinze also would use his powerful oratorical abilities to appeal to miners' resentments of Anaconda and to widespread public suspicions regarding Anaconda's new owners' (i.e., Amalgamated's) ties to the much-dreaded Standard Oil monopoly. In the young Heinze, Clark spied an effective means of striking out at his old nemesis, Marcus Daly, along with his empire, the Anaconda Company. Thus was the Clark-Heinze alliance born. The "odd couple" of Clark and

Heinze proved to be unusually effective when working in harness. Malone writes, "Clark and Heinze formed an unlikely team: the former graying, trim, and reserved; the latter stocky, young and brash. But each brought strengths to the alliance."¹⁸ In 1900, the duo attempted to appeal to workers and undercut Daly's longstanding popularity with them by enacting the eight hour day in their mines. To Clark's *Miner* was added the stridently anti-Anaconda voice of Heinze's own *Reveille*. The goal was the election of a pro-Clark legislature that fall. Of course, Anaconda struck back, setting up a large "war fund" and using newspapers all over the state to disseminate their message, but with Daly now dying at the Netherlands hotel in New York, they were somewhat slow to respond. In November an overwhelmingly pro-Clark legislature was elected. Clark's election to the U.S. Senate was finally guaranteed, as Daly well-knew. Five days later Daly died.

With the death of Daly and his election to the senate, Clark's reasons for cooperation with Heinze largely vanished. Not surprisingly, both Clark's alliance with Heinze and his opposition to the Company began to diminished substantially at this time. Anaconda was now free to train its full fire upon the upstart Heinze. The fight between the Company and Heinze was played for very high stakes, indeed: control of the enormously valuable riches of the Butte Hill. It would be fought in the courts of Butte, at the bar of public opinion, and ultimately, at the Montana Legislature. Heinze's ultimate "ace in the hole" during this struggle was his control of Butte's two state district court judges, who consistently ruled in Heinze's favor in his Apex suits. Amalgamated attempted to remedy the situation by attempting to buy away, and then failing that, to blackmail, one of

¹⁸ Malone, *Battle for Butte*, 149.

Heinze's judges, Judge Edward W. Harney.¹⁹ The Company's efforts to end Heinze's control of Butte's local judiciary proved unsuccessful, however, as Judge Harney spurned their overtures. The Company then decided to pursue political avenues in its pursuit of an end to the problems caused by Heinze. According to Montana historian K. Ross Toole it was at this time, in the 1901-03 period, that Anaconda began to develop into a powerful political force throughout the state. Toole writes that the Company "began to extend its influence to nearly every state and county official, with particular emphasis on legislators...But Amalgamated did not ignore judges, sheriffs, county commissioners, and assessors. It began to develop a vast, state-wide political network."²⁰

But Heinze would not simply "go away" without a fight. His anti-monopoly, pro-worker rhetoric and spellbinding oratory had made him a political force to be reckoned with. He was particularly popular with the miners of Butte, even though 75% of them worked for Amalgamated. In the "newspaper wars" between the opposing sides, Heinze was severely outgunned, however, as he was in all questions of resources. He had only the *Reveille*, while the Company had just purchased a statewide network of papers to go along with Daly's old *Anaconda Standard*.²¹ In the end, though, Anaconda used its economic might to achieve its political goals. On October 22, 1903, it announced the closing of all its enterprises in Montana except its newspapers. As a testament to the company's economic clout in "the Treasure State," within a week four-fifths of the state's

¹⁹ Toole, *Uncommon Land*, 202-04.

²⁰ *Ibid.*, 205.

²¹ *Ibid.*, 112. In order to more effectively win public opinion to their side in their battle with Heinze, Amalgamated purchased all of the daily newspapers in the state but one. It sold off all of these papers except the *Anaconda Standard* following Heinze's departure from the state in 1906.

wage earners were unemployed. Not surprisingly, in response to this devastating show of economic force, the state's political actors came to heel. On October 31, the Company gave its terms for a resumption of business in the state, demanding passage of a "Fair Trials" law that would "provide for the simple disqualification of a district judge upon charge of bias by a litigant and would allow for bringing in another judge to replace him."²² Michael Malone writes of this Company move, saying, "This, of course, was blackmail; for only after the legislature pulled the fangs of Heinze's judges would Amalgamated put Montana back to work."²³ The Governor, Joseph K. Toole, reluctantly called a special session of the legislature, which then quickly passed the desired legislation. With passage of this act, Heinze's only source of real leverage over the Company was stripped away, and he was essentially defeated. Although he remained on to conduct rearguard actions against the Company for a few more years, the "mining buccaneer" eventually realized his defeat. He left the state in 1906 after selling the *Reveille* along with his mining assets (and the consequent dropping of roughly eighty pending lawsuits) to the Company for \$10 million. In addition to its victory over a pesky challenger, the Company had made a vivid demonstration of its willingness to use its raw economic might in order to achieve its political ends.

With the departure of Heinze, the turbulent "copper kings' war" was at a close. For Anaconda, this meant that the consolidation of all mining activities on the Butte Hill was an achievable near term goal. It also meant the emergence of its status as Montana's

²² Malone, *Battle for Butte*, 177.

²³ *Ibid.*

unchallenged industrial giant, a position the Company would retain into the 1950s. Instead of focusing its energies on "protecting its turf" in Montana, Anaconda now could focus upon expanding its industrial empire around the country and, indeed, throughout the world. But the Company would never forget the lessons it had learned from its wars with Clark and Heinze, the chief one of which was never to take the political situation of its native state for granted.

The departure of Heinze certainly did not signal the end of the Company's political battles in its native state. Indeed, the Company would face numerous additional political challenges in Montana over the years. Often the most heated of these contests involved direct electoral or legislative challenges to the Company's prerogatives in the state or to its "bottom line," generally speaking (e.g., Joseph Dixon's efforts to repeal the "net proceeds" tax on mines in the early 1920s). But the Company also was notable for its consistent involvement in Montana elections ranging from the school board and city council races in "Company towns" (e.g., Anaconda and Great Falls) to those for the U.S. senate and house. As a rule, the Company became involved in all local and state elections that promised to have an important bearing on its interests. It almost universally supported candidates who could be labeled as "conservatives" over those who would be classed as "liberals" or "progressives," although at times the Company found it expedient to make temporary alliances with such prominent "progressives" as Joseph M. Dixon, Thomas Walsh, and Burton K. Wheeler. Generally though, the Company preferred conservative candidates from either political party (this was particularly true for powerful in-state positions such as Governor) who favored little government regulation of business

or involvement in the economy, low taxes, and little if any interference in the relations between management and labor. Naturally, maintaining a laissez faire economic system was in the Company's own self-interest, and it would endeavor to preserve as much of this late 19th Century system as it could for as long as possible. The state's political liberals and progressives, on the other hand, tended to favor such measures as: government regulation of the economy and big business as a means to protect workers and consumers, a progressive tax system and the equalization of the tax burden so that all paid their "fair share," the right of workers to form unions and to bargain collectively with employers, and the conservation of scarce natural resources as an aspect of protecting the environment. Such attitudes placed the state's progressives and liberals squarely on the opposing side of the Company's position on most significant policy issues. Thus it is not surprising that the Company tended overwhelmingly to support conservatives and oppose liberals in its electoral activities.

In addition to its focus on electoral activities, however, the Company also displayed an interest in the state's social and intellectual climate. Always on guard for outbreaks of any sorts of "radical" thought in the state, the Company was particularly concerned about the "menace" of "socialist" or "red" thinking. Particularly after the 1918 Bolshevik Revolution, the Company employed "red scare" tactics to tar many whose liberal or progressive ideas threatened its corporate interests with the brand of "communism," while always making sure to align itself squarely on the "patriotic side" of any question. Always keenly aware of the importance of the battle for public opinion in its efforts to maintain the status quo in the state – this was undoubtedly a major reason for Anaconda's

involvement in the newspaper business – the Company was not about to cede control of the state's political discussion agenda to "the liberals" without a fight. It tended to be particularly watchful of the state's universities, perhaps owing to their relatively unfettered intellectual environment and "truth-seeking" mission. The Company undoubtedly did not wish to see studies, papers, or ideas challenging Company interests put forth by "impudent college professors." Once advanced, such ideas could develop popular support, and might even end up as proposed legislation. From the Company's standpoint, it undeniably was preferable, if possible, to "nip such things in the bud," much in the same way that it was preferable to discredit a politician or newspaper editor as a "radical" or a "communist" (e.g., "Bolshevik Burt" Wheeler), or to blacklist a radical union organizer so that he could not join the company's workforce. It is in this sense that the Company's general involvement in the social and intellectual currents of the state, and specifically its role in the "Levine affair" at Montana State College (now known as the University of Montana), will be discussed.

Another "political issue" that was always of principal importance to the Company, but which did not directly involve electoral politics, was the issue of its labor relations. The Company employed many thousands of workers in the state; the relative power and stridency of its workforce constituted a fundamental "bottom line" issue for the Company. A strong, demanding unionized workforce could force labor costs to rise greatly for the Company, eroding profits and distributions to shareholders. In addition, the Company undoubtedly realized that the base of the state's liberal movement traditionally came from Company workers. If the company's unions were strong and

effective, this would energize the state's liberal political classes. The Company then likely would be forced to deal with a more potent and demanding liberal movement at the statewide political level. Clearly then, the Company had a vested interest in keeping its unions relatively weak and quiescent, or broken up altogether. From 1914-18, the Anaconda Company faced severe labor unrest, primarily centered in Butte, which resulted in the blowing up of the Miners Union Hall and the imposition of martial law in that city, and ultimately in the destruction of the company's vaunted unions. The Anaconda Co's. workers would not regain their unionized status until New Deal reforms led to their reacquisition of collective bargaining and closed shop rights in 1934. The New Deal and the post-World War Two era brought a resurgent unionism to the Anaconda Company's workforce, and also manifested itself in a potent post-war liberal movement in the state. The Company's efforts to alternately control, intimidate, appease, and co-opt its labor force are yet another aspect of its "political activities" and, as such, will be another focus of this thesis.

In 1910, the Company and its conservative allies, which included their old friend senator Thomas Carter, worked to ensure the defeat of Thomas J. Walsh, an independent-minded, progressive Democrat who was running for one of Montana's U.S. Senate seats. In 1912, the Company and its conservative friends were faced with a difficult situation, as the Republican Party split between its progressive and conservative factions and the Democrats nominated Walsh. The conservative Republicans managed to nominate Henry C. Smith, while the Progressive Party nominated the sitting Republican senator, Joseph M. Dixon, as their candidate. With the Progressive Party's "radical" positions (one of its

slogans was "Put the Amalgamated out of Montana Politics"), Dixon was clearly the candidate who most worried the Company in 1912. Evidence of the Company's "concern" about Dixon can be seen in its 1912 purchase of a daily newspaper, the *Missoula Sentinel*, which then was employed as an anti-Dixon organ.²⁴ Moreover, as Anaconda no doubt was aware, it was most likely that the Republicans would split their votes and that Walsh would win the senate seat, regardless of what was done. Thus it is probable that the Company did not actively oppose Walsh following his Democratic nomination in 1912, viewing him both as the likely winner and as the "lesser of two evils" compared with Dixon. In any event Walsh did win the election and became a senator in 1913.

In 1917, the issue of tax equalization, the subject that would become the focus of Governor Dixon's conflict with Anaconda a few years later, came to the fore in the state legislature. In 1916, the state Republican Party platform, echoing Dixon's Progressive Party platform of 1912, called for reform of the state's tax structure and threatened a constitutional amendment if legislation to such effect was not passed. The following year the legislature, facing a large deficit and seeking new sources of revenue, appointed a Tax Investigation Committee. The Committee issued a report which showed that although the mining industry's gross proceeds in Montana were nearly double that of farming, the second largest industry in the state, the mines paid only 8.79% of the taxes paid by the state's industries while farming paid 32.14%. The Committee concluded that "the large

²⁴ Dennis Swibold [University of Montana Professor of Journalism], telephone interview by author, 7 January 2003.

mining companies, the Hydro Electric Companies and the Pullman Car Companies are not paying their proportionate share of the state's taxes."²⁵ The Company immediately spun its legislative lobbying and public relations operation into action to oppose any tax increase or change in the net proceeds taxation formula for the mining industry. Not surprisingly, the Committee report was not published in the Company-owned newspapers. Several proposed tax reform bills were all defeated easily in the legislature.

At about the same time, the Chancellor of the Montana University System, Edward Elliott, decided to try to do something about the perennial shambles of the state's university budgets. Believing that fundamental reform of the state's tax system was required if the university system was ever to be funded at anywhere near adequate levels, he asked a talented young economics professor named Louis Levine to make a study of the state's entire tax structure with an eye to making recommendations for reform. Dr. Levine, who was then a professor at Montana State University in Missoula (since renamed the University of Montana), agreed to make the study for Chancellor Elliott. After studying the state's tax structure, Levine concluded that the exemption on the taxation of the mining industry's gross proceeds was at the heart of the state's revenue problems. In the spring of 1918, at the Farmers Tax Conference in Lewistown, Levine presented his case for tax reform and for an increase of taxation levels for the mining industry. Unluckily for him, and for Elliott, Anaconda had sent some of its "heavy hitters" to the Conference as well: L.O. Evans, its Chief Western Counsel, Dan Kelly, its

²⁵ K. Ross Toole, *Twentieth Century Montana: A State of Extremes* (Norman, Ok.: University of Oklahoma Press, 1972), 209.

General Counsel, along with the Company's close ally, attorney and Democratic politico J. Bruce Kremer, a member of the State Board of Education. A few months later, on June 18, 1918, at a regular meeting of the Board of Education, Kremer demanded the investigation of two University professors who were "espousing socialism." One of these professors was Louis Levine. In mid-November Levine presented the first draft of his monograph, "Taxation of Mines in Montana," to Chancellor Elliott. The paper contained a strong endorsement, in the form of a forward, by Montana State University's President Sisson.

Soon thereafter, however, Elliott became aware that major political forces in the state were shifting against both him and the Levine study. Governor Samuel Stewart, viewed as a strong supporter of the Company, asked Elliott why the investigation of Levine's politics had not been pursued and also asked fellow Board of Education Member J. Bruce Kremer to present his evidence against Levine at the next Board meeting. In the following months, Kremer continued to keep up the pressure against Levine's "socialistic ideas" and also against the University that had been an apparent seedbed for such ideas. Chancellor Elliott now began to shift his stance regarding the publication of Levine's monograph. First, he informed Levine that the publication could not be printed by the University Press. Later, he strongly tried to dissuade Levine from publishing the monograph independently. Levine went ahead and did so anyway, however, and in

February 1919, the Chancellor suspended Levine "for insubordination and conduct prejudicial to the interests of the University."²⁶

The suspension of Professor Levine brought widespread national attention to the Montana University System, Montana politics, and naturally to the Anaconda Company, which many believed had a hand in the "Levine affair." Realizing that this publicity was causing people to read Levine's work, the Company press initiated a sudden silence on the whole subject. National publications such as *the New Republic*, *the Nation*, and *the New York Times* supported Levine's research as serious, solid and highly qualified (albeit somewhat dull as reading material) and painted the case as one of academic freedom versus the bullying tactics of a self-interested corporation and its political minions. New pressures mounted on Chancellor Elliott as the American Association of University Professors (AAUP) and a state senate committee both prepared to investigate Levine's suspension. In addition, some of the nation's leading authorities on taxation chimed in with their support of Levine's monograph. The state Senate Investigating Committee soon reported that there was no evidence that Levine, or any University System faculty, "taught socialism." In the spring of 1919 both a Montana State University service committee that had been appointed to investigate the Levine suspension and the AAUP investigating committee made their reports. Both committees strongly condemned the Levine suspension and criticized the Board of Education's policy that forbade faculty members from participating in public controversies. Implicit in the AAUP's report was the "blacklisting" of the University if Levine were not reinstated. All of this pressure was

²⁶ Toole, *State of Extremes*, 215.

too much for the Board of Education, which ordered the chancellor to reinstate Levine and pay his back salary, but which nonetheless, and somewhat perversely, endorsed the chancellor's original suspension of Levine.

It seems rather clear that the Company and its conservative allies played an important role in the Levine affair. Despite the fact that Levine's work was hardly "radical" or "socialistic," it undoubtedly had proved threatening to the Company and its friends. At stake, after all, was potentially a substantial portion of the copper giant's bottom line in an era when the lion's share of its assets and revenues were still derived from the state of Montana. The Company certainly had a strong motive to go after those in the state's university community who would threaten its highly advantageous tax position. The intimate involvement of such close allies of the Company as J. Bruce Kremer and Governor Stewart in the Board of Education probe and the subsequent suspension of Levine, on obviously bogus charges, was most likely not coincidental. While there is no "smoking gun" to prove Company involvement in this effort to stifle academic freedom and political advocacy within the Montana University System, it appears more than likely that this is indeed what happened. Irregardless of the precise nature and scope of Company involvement, however, the Levine affair provides an excellent segue from the Company's political battles of the 1910s to those of the 1920s. It foreshadows both the great "tax equalization" fight that the Company would wage with Governor Dixon (in which Dixon's role was largely to reintroduced Levine's conclusions as policy initiatives) and the Company's willingness to "play hardball" in order to achieve its political

objectives. The gubernatorial election of 1920, a watershed event in Montana political history, would provide the next great stage for the Company's political wars.

The 1920 Montana gubernatorial election remains an epic contest in the annals of the state's political history. The general election featured the initial clash between two of the state's most storied politicians, Joseph M. Dixon and Burton K. Wheeler. Although Dixon was a Republican and Wheeler a Democrat, both were seen as thoroughgoing progressives. Dixon, who would go on to win the election by a whopping majority, had already enjoyed a long and distinguished political career by 1920, having served two terms as a member of the U.S. House of Representatives (1903-07) and one in the U.S. Senate (1907-13). While serving in Washington, Dixon had become enraptured by the progressive politics of President Theodore Roosevelt (1901-09) and had evolved from a fairly "regular Republican" to a progressive one of the Roosevelt mold. It was at this time that he began to cross swords with the Anaconda Company.

By 1912 the rupture apparently was complete, with the Company actively campaigning against Dixon and Dixon promising to "put the Amalgamated out of Montana politics" and make it pay its fair share of taxes. Denied the Republican Party's senate nomination, Dixon ran instead on the Progressive Party ticket where he became the Company's chief worry in that race.²⁷ Ultimately defeated in 1912, Dixon returned to Montana where he tried to give up active politics and live the life of a "gentleman farmer" on his dairy farm at Flathead Lake. A sign that he could not completely remove

²⁷ Dixon was indeed a very busy man in 1912. In addition to campaigning to retain his senate seat, he served as Roosevelt's Presidential campaign manager in TR's ultimately unsuccessful bid as a "Bull Moose" candidate.

himself from the political arena, however, was the fact that he purchased a daily newspaper, *the Missoulian*, which he soon committed to a solidly anti-Company stance. Recent Montana trends and events, such as an increasing public desire to raise taxes upon the big mining companies, the adoption of the direct primary, the Levine monograph (which Dixon published and strongly praised in his *Missoulian*) and the resulting furor over his suspension, all helped to convince Dixon that 1920 would be an auspicious time for him to return to electoral politics. This time he would be a candidate for Montana's highest state office.

In 1920, Burton K. Wheeler was a 38-year-old attorney with a reputation for stirring up controversy and for having roused the ire of the Company. Although he would later go on to serve four terms as a U.S. senator from Montana (1923-47), at this point in his career Wheeler's political resume was not particularly extensive. He had served one term in the state House of Representatives (1911-13) (where he had reputedly earned the enmity of the Company for his determined support of T.J. Walsh for the senate) and five years as U.S. Attorney for Montana (1913-18). In this latter post, Wheeler became a lightning rod for the ire of conservatives and zealous patriots during the period of "war hysteria" that gripped Montana following U.S. entry into World War One in 1917. Wheeler, already known as an outspoken critic of the Company, had come under heavy fire for his refusal to prosecute numerous alleged "traitors and spies" under the recently enacted Espionage and Sedition Acts. Wheeler contended that he could not prosecute such persons under the language of the acts and that there was no such thing as "treasonable speech." The Company and its allies saw an opportunity to punish the

obstreperous Wheeler and his supporters and demanded his removal as U.S. Attorney. To complicate matters, the year was 1918 and Senator Walsh was up for reelection. At first Walsh stood by his embattled political ally, hoping to curry favor from Wheeler's sizable liberal and working class following in the process. The drumbeat for Wheeler's head continued to rise, however, and after reading the political tea leaves and realizing that Company support, or at least non-opposition, would be imperative in the election, Walsh capitulated and asked Wheeler for his resignation. Embittered by Walsh's "betrayal," Wheeler had refused to endorse or support his onetime ally during the remainder of the 1918 campaign. Nonetheless, following Wheeler's departure, Walsh received the sought after Company support and went on to victory.²⁸

In 1920 Wheeler received the nominations of both the North Dakota-based, populist-tinged Non-Partisan League and the Montana Democratic Party (which League members had largely taken over) for governor. Much of the strong-willed young attorney's long pent-up anger at the Company, along with the frustrations of many of the state's struggling farmers and radicalized workers, would be vented in "Bolshevik Burt's" (as the Company press dubbed him) 1920 gubernatorial campaign.

Joseph M. Dixon and his camp of followers tended to share a common perception of "the Company's" role in the Montana politics of their era. In 1920, they were in essential agreement with the proposition that the Anaconda and Montana Power interests did not

²⁸ Toole, *State of Extremes*, 240-41. A major reason for the Company's willingness even to consider supporting the liberal Walsh appears to have been the fact that, once again, a "radical" candidate was worrying them. This time the threat was progressive Congresswoman Jeanette Rankin, now running as an Independent for the senate, who had been outspokenly critical of the Company's handling of its recent labor strife in Butte.

wish to see Dixon receive the Republican nomination for Governor. Dixon emerged victorious in a six-way primary in August, but he was convinced that this was despite opposition from the Company. The Dixonites viewed Harry Wilson, a young Billings county attorney and legal staff member for the Montana Power Company, as the "Company candidate" in the Republican primary. They saw E.H. McDowell as the Company's Democratic counterpart; likewise on the Democratic side of the political aisle, they viewed B.K. Wheeler as perhaps even more an anathema to the Company than Dixon himself. Many political insiders of the day believed that the Company ran "preferred candidates" in the primary elections of both major parties, in an effort to ensure the favorability of the eventual high officeholder to the corporation's political agenda.²⁹ The common political wisdom of the era also held that of all the statewide and national offices elected in Montana, the governorship was by far the most important to the Company because of the governor's unmatched ability to set a statewide policy agenda. In the hands of a staunch and politically able opponent of the Company, such as a Wheeler or Dixon, the governorship could be used to inflict real harm upon the Company's interests.

Company officials and their conservative allies throughout the state of Montana must have awakened on August 25, 1920 to something resembling a nightmare. Allegedly for the first time in its history, the Company was without a gubernatorial candidate to its genuine liking. It did not take the Company long, however, to decide which of the two

²⁹ Karlin, *Joseph M. Dixon of Montana, Part 2: Governor Versus the Anaconda, 1917-34*, (Missoula, Mt.: University of Montana Publications in History, 1974), 21-3.

accountable for the success or failure of the upcoming legislative session while also

“cautioning him against any capricious or radical actions.”⁴³

On January 4, 1921, Governor Dixon delivered his first message to the legislature. In it, he demonstrated his independence from Company control along with his intellectual mastery of the state’s difficult financial situation. According to Joseph Kinsey Howard the address “...earned rank, in the undistinguished records of that apathetic assembly, as a great state paper.”⁴⁴ In his address, which was crammed full of facts and figures, Dixon dealt head-on with the state’s looming financial crisis. He offered a number of proposals with which to combat the impending disaster. Viewing the state’s heavy reliance upon property taxes as imbalanced and overly confiscatory, the governor called for a redistribution of the state’s tax burden. Thus he proposed a progressive inheritance tax, an income tax, a three percent *gross returns* oil tax (certainly not a “net proceeds tax” for *this* fast-growing, extractive Montana industry), a gross tonnage tax of ten cents on coal, license taxes on cement plants and *metal mines*, an automobile license tax, a one percent tax on gasoline and distillates, and increased filing and recording fees. Despite the fact that voters had rejected a similar proposal in 1920, Dixon recommended the creation of a tax commission to standardize and administer the collection of taxes throughout the state. On the savings side of the ledger, Dixon called for greater efficiency and economy in

⁴³ Karlin, *Dixon of Montana*, 69. Interestingly, it appears that the Company may have attempted to solve its “Dixon problem” even before the new governor’s swearing-in. A group of prominent Republicans from the Pacific Northwest waged an intensive campaign to have Dixon appointed Secretary of the Interior in the incoming Harding Administration. The Company’s newspapers demonstrated their wholehearted support for this proposal, but Dixon himself was wholly unreceptive, claiming that he could not shirk his duties to the voters of Montana who had just elected him as their governor. Thus, the proposal died quickly.

both state and county government. Addressing issues of concern to farmers and workers, the governor adopted M.L. Wilson's proposal for farmers' cooperative marketing organizations, and urged far-reaching amendments in the workmen's compensation statutes.⁴⁵

Hailed by Dixon's biographer, Jules Karlin, as a "thoroughly progressive" document, the governor's first State of the State message was viewed somewhat differently by the Company-controlled newspapers. Although only W.A. Clark's *Butte Miner* condemned the entire message, the Company press objected to the message's "dirgelike note of depression"⁴⁶ and heavily criticized Dixon's proposals for new taxes on metal mines. The *Anaconda Standard* adamantly opposed any additional taxation of the state's "poor, struggling industries" and Company ally, *the Missoulian*, warned that a heavy tax on mining would constitute "the very worst thing that could happen to Montana."⁴⁷ The *Helena Independent*, although a staunchly Democratic organ also firmly within the "Company fold," adopted a more positive stance toward the new governor's opening address than did many of its colleagues in the so-called "interlocking press." Apparently reserving judgment on the new governor, at least for the time being, the *Independent* carried the entire text of Dixon's address and wrote an essentially respectful and factual news story about it, detailing Dixon's proposals and the reasoning behind them. Remarkable in light of the *Independent's* later coverage of Governor Dixon, the

⁴⁴ Joseph Kinsey Howard, *Montana: High Wide and Handsome* (New Haven, Yale University Press, 1959), 247.

⁴⁵ Karlin, *Dixon of Montana*, 70.

⁴⁶ *Ibid.*

⁴⁷ *Ibid.*, 71.

newspaper even singled the governor out for praise, describing, "The impressive manner in which Governor Dixon presented his message..." and portraying the Governor as a "...former United States Senator, a republican of nation-wide standing and repute, close friend and intimate of the man by many people termed the 'greatest American'...

[author's note: i.e., Theodore Roosevelt]."⁴⁸ The *Helena Record-Herald*, an independently owned Republican daily that consistently supported Dixon, was even more positive about the Governor's message than was its Helena counterpart. Describing Dixon's address as "an inspiring message," the *Record-Herald* concluded that, "There is not a discussion, an argument, a recommendation, a table of statistics, or a conclusion in the entire message that is unsound or unfair, so far as we can judge."⁴⁹

A mention should be made of the *Independent* and *Record-Herald* editors, as both will figure prominently in the story of Dixon's governorship and his battle for reelection. The rivalry between the two Helena editors eventually would reach virtually epic proportions, just as would that between the Company and Joseph Dixon. Will Campbell, the *Independent*'s energetic editor, was has been described as "gifted and hardworking." He was also temperamental and became legendary for his vindictiveness and for his harsh, slashing attacks on opponents. Along with partners that included Senator Walsh, he had purchased the faltering *Independent* and become its editor in 1913. Finding Campbell difficult, if not impossible to work with, and also discovering that he was far friendlier to the state's business interests than to Walsh's progressive wing of the Democratic Party,

⁴⁸ *Helena Independent*, 5 January 1921, p. 1.

⁴⁹ "Constructive Message," *Helena Record-Herald*, 5 January 1921, p. 4.

the senator largely withdrew from the paper and its crusty editor. Eventually Walsh would write exasperatedly, "It is rather unfortunate to be placed in the position in which I find myself of being held responsible for every fool thing that the *Independent* does or says without being able in any effectual manner to control either."⁵⁰ Described by Jules Karlin as "a small Nebraskan with a receding chin," Campbell moved over to the newspaper from the publicity department of the Great Northern Railway.⁵¹ He played an influential role in the state's hyper-patriotic war hysteria of 1917-18 and was a leader in the efforts to remove B.K. Wheeler as the state's federal district attorney. Regarded as "a man of moods," Campbell apparently was "more feared than loved." According to Karlin, by 1921 Campbell's paper was in debt and turned to the Company for working capital, which began its transformation into a Company organ.⁵²

Unfortunately, less can be determined about Campbell's crosstown rival, Dr. O.M. Lanstrum. What can be said is that Lanstrum was a physician and a staunch progressive Republican of the Theodore Roosevelt, Joseph Dixon stripe. Like Campbell a veteran Montana newspaperman by the 1920s, Lanstrum also had a history of involvement with state Republican Party activities. A leader, with Dixon, of the state Party's progressive wing, Lanstrum's intra-party rivals included such leaders of the Old Guard contingent as Helena banker Thomas Marlow and State Senator and *Billings Gazette* publisher John E. Edwards, both of whom were perceived to be "Company-friendly."⁵³ Lanstrum also had

⁵⁰ J. Leonard Bates, *Senator Thomas J. Walsh of Montana: Law and Public Affairs from TR to FDR*, (University of Illinois Press, Urbana, Il., 1999), 85.

⁵¹ Karlin, *Dixon of Montana*, 68.

⁵² Ibid.

⁵³ Ibid., 3-4.

run as the Republican nominee for the U.S. Senate in 1918. He might well have defeated Senator Walsh in that election had Jeannette Rankin not run in the general election as an independent, thus splitting the Republican vote. Both Lanstrum and Campbell shared a devotion to newspapering and to partisan politics. While Lanstrum was a progressive Republican, Campbell was a pro-business, conservative Democrat with growing financial ties to the Company by the early 1920s. Neither editor was the type to "shy away" from a political or ideological battle. These factors set the stage for an epic battle royal between the Helena dailies during the Dixon era.

Dixon was the state's first Republican governor in thirty years. His Party controlled both chambers of the state legislature by wide margins, which by all reason should have made the passage of his key proposals a relatively easy matter. Such was not the case, however. In addition to the fact that party affiliation was historically a poor guide to legislative performance in Montana, Dixonites held strong suspicions of their chances for success in the state senate, where three of the G.O.P.'s conservative, Company-favoring, "Mighty Four" of the Legislature resided.⁵⁴ All three, Edwin S. Booth, Edward J. Donlan, and John E. Edwards, were known as shrewd and highly competent legislators.

The governor's proposals were not introduced as a unit in the legislature. His measure to establish a permanent tax commission, which Dixon regarded as the most important of his proposals, was released on January 7. His package of tax proposals was unveiled in the house on January 26. Of the state's major dailies, only the *Helena Record-Herald* granted in-depth coverage to the governor's bills, giving detailed reports on each along

with an analysis of its likely impact on the state's revenues. The Company-controlled papers granted a minimum of coverage to the governor's bills, simply listing them in routine reports of the legislature's activities, or else burying them.⁵⁵

Instead of getting right to work on the governor's legislative slate, the legislature almost immediately became bogged down with a number of diversionary, high profile social legislation bills. These included a bill that would have required all Montana public school teachers to sign loyalty oaths to the state and federal constitutions, a bill introduced by Senator Donlan that would have allowed all motion pictures to be subject to censorship by county boards, a "Snooping Bill" that would have provided for the appointment of an unlimited number of special agents under the state attorney general for the purpose of enforcing the state prohibition law and other laws, two bills to allow the legalization of gambling, and finally, a bill to allow physicians and druggists to prescribe and/or dispense liquor for medicinal purposes.⁵⁶ All of these bills received a good deal of attention, particularly from the Company press, and took attention away from the governor's proposals. They also succeeded in tying up the legislature for precious days during the brief sixty-day legislative session.

As had been predicted, the senate proved to be the major obstacle to Dixon's agenda. By the end of February, the governor's legislative agenda was in severe trouble. Donlan, Edwards, Booth, and Tom Larson, a pioneer rancher and businessman from Teton County, had successfully combined the techniques of delay, parliamentary maneuvers,

⁵⁴ Karlin, *Dixon of Montana*, 66.

⁵⁵ *Ibid.*, 72.

and crippling amendments. Meanwhile their allies in the Company press had employed their time-honored tactics of ignoring the specifics of Dixon's agenda while railing against higher taxes on their editorial pages.⁵⁷ The centerpiece of Dixon's legislative agenda, the tax commission bill, was approved by the house on a vote of 56-41. It then was referred to the senate's committee on finance and claims, chaired by Dixon's implacable foe, John E. Edwards, where it was promptly killed. Dixon's senate allies fought hard to rescue the bill from the finance and claims committee, but were outvoted by a margin of 31-21. In the closing days of the legislative session, it must have deeply pained the governor to watch as the senate gutted the remainder of his agenda, knocking out the income levy, cutting the taxes on coal to five cents a ton and on oil to one percent, and passing "a slightly increased tax on metal mines, which was a mere palliative."⁵⁸ The governor now was faced with a major decision. Should he stand by the disappointing results of the legislative session and wait for twenty-two months to carry on his fight with a new legislature, or should he immediately call a special session of the legislature to force that body to deal with the unfinished Dixon agenda. As a "fighting progressive" whose political hero was Theodore Roosevelt, there was little chance that the governor would adopt the former course. Knowing fully that calling the special session would result in charges that he was a "dictator," that it would bring down upon him the wrath of the Company's newspapers, and quite possibly split his own party, Dixon nonetheless issued his call for a special session of the legislature on March 4th and listed five specific

⁵⁶ Dixon ended up vetoing most of this legislation, including the Loyalty Oath and "Snooping" bills. He signed only the bill to allow physicians and druggists to prescribe/dispense liquor.

⁵⁷ Karlin, *Dixon of Montana*, 75.

areas for legislative action. Of course, these five areas corresponded directly to Dixon's just-rejected legislative agenda. They were: adequate appropriations for the tuberculosis sanitarium, the abolition of a vacant judgeship, the creation of a tax commission, a more equitable oil tax, and a scientific inheritance tax. The battle between the Governor and the Company and its conservative allies had now been fully joined.

Before the special session even convened, the fight in the press over the governor's action began in earnest. Governor Dixon fired the first shots in the course of a lengthy, March 5 interview that he granted to *The Missoulian*. In it, Dixon heaped abuse upon the senate for failing to deal responsibly with the state's financial situation, assailed the "big lobby" for defeating his measures, and complained that the newspapers had kept the public "in ignorance of the real facts happening behind the scenes."⁵⁹ Dixon's opponents responded predictably. Senator John E. Edwards delivered a speech to the senate on March 5th in which he accused the governor of having failed to recognize the principle of separation of powers, and suggested that Dixon end his attempts to guide the legislature. Interestingly, the state senator's speech was carried the following day on the front page of every anti-Dixon daily, many of which, of course, were controlled by the Company.⁶⁰ On the same day that Edwards' speech was given prominent coverage in the anti-Dixon press, the *Independent*, in a front-page editorial, exhorted the Montana Development Association, a pro-business lobby with strong ties to the Company, to work vigorously to protect the state's mining and oil interests at the upcoming special session. Apparently by

⁵⁸ Karlin, *Dixon of Montana*, 76.

⁵⁹ Ibid., 77.

⁶⁰ Ibid.

this point the governor's "honeymoon" with Will Campbell, the highly vituperative editor of the *Helena Independent*, was over. In this piece, the feisty editor strongly implied that the governor's cravings for "Taxes, Taxes, Taxes" were to blame for keeping badly needed "outside money" from entering the state and that his plan to tax the state's nascent oil industry invariably would lead to its untimely demise if not checked by groups such as the Montana Development Association.⁶¹

Both the Company press and its journalistic allies denounced Dixon's summoning of the legislature in vigorous terms. A common complaint was that at an estimated cost of three thousand dollars per day, this "Dixon extravagance" would only increase the state's deficits. The strongest objections were reserved for the governor's proposed tax commission, which owing to its potential to truly equalize the state's tax burdens, most threatened the state's large economic interests. The *Helena Independent* declared that not even the dreaded Non-Partisan League would have put forth a "more radical" tax program, and W.A. Clark's *Butte Miner* now called Dixon's January message "the most radical communication ever presented by an executive of this state."⁶² In a March 6 editorial entitled "Will the Patient Stand It?," the Company-owned *Anaconda Standard* attempted both to remind Dixon that he owed his election to conservative, Democratic, and Company support and at the same time chide him not to betray that "mandate" with "fantastical innovations" (i.e., progressive/activist plans). The *Standard* editorialized, "Disregarding for the moment these accidental agencies which brought about the election

⁶¹ "So the People May Know," *Helena Independent*, 6 March 1921, p. 1.

⁶² Karlin, *Dixon of Montana*, 77.

of a Republican executive, it is an incontestable fact that *the policies and political ideas he may have entertained prior to his election last fall had little or nothing to do with the result at the polls* (italics added).⁶³ In a rather bald claim, the *Standard* argued that the governor had been elected in spite of his progressivism, not in any way because of it. Dixon's perennial champion, the *Record-Herald*, rose to his defense in this instance as well, maintaining that "...Governor Dixon's call for an extraordinary session of the legislature is fully justified" and stressing the particular importance of passing the Governor's proposed oil and inheritance tax measures at the session.⁶⁴

Dixon addressed a joint session of the legislature on March 8. Obviously hoping to appeal both to the legislators, and, over their heads, to the people of Montana, the resolute governor emphasized the shocking condition of the state's treasury, estimating that its deficit probably would amount to \$3.3 million by November unless the legislature took action. He also again made the case for a tax commission and for an inheritance tax based upon the progressive Wisconsin model. Despite the governor's eloquence and his unyielding stance, however, the results of the special session were largely the same as those of the recently adjourned regular session. The house demonstrated its allegiance to Dixon by approving his bills major bills rapidly, the crucial tax commission bill by a vote of 65-31. Senate opposition to "Dixonism" remained stalwart, however. There, the governor's prized tax commission bill was defeated by a vote of 28-25, the oil tax was held at one percent, and 108 amendments were added to the house's inheritance tax

⁶³ "Will the Patient Stand It?," *Anaconda Standard*, 6 March 1921.

⁶⁴ "Governor Dixon's Call," *Helena Record-Herald*, 5 March 1921, p. 4.

measure.⁶⁵ Dixon had *his* ardent supporters in the senate as well, though, and they mounted a counterattack. Among other measures, they introduced a bill to provide for the submission to the people of a constitutional amendment creating a tax commission. Not wishing to seem antidemocratic, Edwards's conservative forces supported the measure and it passed overwhelmingly. The senate proved unyielding, however, in conference committee sessions with the house. As a result, the oil levy remained at one percent and the senate's far weaker version of the inheritance tax won out over the house's version. The session ended on March 23rd. Although Dixon could claim small victories in the form of the tax commission amendment and the inheritance tax, it was clear that his conservative opposition had once again prevailed.

As shrewd and experienced a politician as he was, however, it is likely that Dixon knew beforehand that he would not be able to pass the bulk of his legislative agenda in the special session. Certainly, he understood that he would not be able to win over the state's Company-dominated press. It seems likely, then, that the Governor called the special session for other reasons, perhaps as a means of making sure that the voters of Montana understood clearly that the current resident of the governor's mansion was, unlike many of his predecessors, both independent of corporate control *and* willing to fight doggedly for his agenda. In any event, by the end of the special session the battle lines had been clearly drawn between the progressive governor and the Company-led conservative interests of the state. As if to underscore its displeasure with the upstart governor and his supporters, (and in a manner that was eerily reminiscent of Anaconda's

⁶⁵ Karlin, *Dixon of Montana*, 81.

methods of dealing with "the Heinze trouble" in 1902) the Company closed its mines immediately following the March special session. Neglecting to inform the public that its "stocks of copper were huge and that the price of copper, in any event, was low,"⁶⁶ the Company, during the midst of a statewide depression, simply closed all of its Montana mining operations until November, and let the Montana electorate draw its own conclusions regarding the reasons for the shutdown.

The next great fight between Dixon and the Company would concern the composition of the 1923 legislature, but in the meantime skirmishes erupted over local tax assessments that were appealed to the state Board of Equalization, control of the Republican Party machinery in the state, and most famously, regarding Dixon's firing of the warden of the state prison, Frank Conley. For nearly two years, the governor was embroiled in a huge controversy that involved his decision to fire Frank Conley. Dixon felt that the firing was both the right and proper course of action because he believed Conley had made off with nearly \$200,000 of state funds while serving as the state prison warden. As it turned out, however, Conley, who in the past had shown a willingness to use convicts to break strikes in Butte and Anaconda, was a close political crony of the Company's.⁶⁷ Interestingly, on the day following Conley's dismissal a special train was chartered to take a band, along with such Company "heavyweights" as Anaconda President C.F. Kelley, Montana Power President Frank M. Kerr, and J. Bruce Kremer to Deer Lodge to "give support" to the beleaguered ex-warden. Shortly after Conley's dismissal, the

⁶⁶ Toole, *State of Extremes*, 265.

⁶⁷ Karlin, *Dixon of Montana*, 88.

Independent ran a hagiographic article about the ex-warden, in which the "legend of Frank Conley" was heavily burnished. In the article, Campbell's newspaper claimed that, "Frank Conley is known nationally as one of the most efficient prison wardens in the United States. He has gained the reputation of being big-hearted. It is said of him that he has aided more men to walk the straight and narrow path...than any other man in the country."⁶⁸ Continuing in this vein, the *Independent* added that Conley was "a good judge of human nature" and that "never has a breath of scandal been heard of the Montana prison as is so common throughout the country."⁶⁹ In the same issue of the *Independent*, Campbell castigated Governor Dixon for having dismissed such a fine man, writing, "the displacement of Mr. Conley is a mistake and Governor Dixon and those who advised him in this will live to see the day they will deeply regret the change which was made either in anger or prompted by jealousy."⁷⁰

A few days later, Campbell went even further in his defense of Conley, running the story of "The Kid." This story, which further buttressed the image of Conley as a "big-hearted warden," tells the tale of a young convict in whom Conley "thought he saw... the makings of a man if properly guided."⁷¹ The kind-hearted warden thus took "the kid" under his wing, helping him escape from the clutches of a cold-hearted, unsympathetic sheriff at the end of his sentence at the state penitentiary. Conley's fatherly treatment of "the kid" is rewarded at the end of the story: "the kid" remained in appreciative contact with the warden, and moreover, went on to become "a respectable and prominent

⁶⁸ *Helena Independent*, 14 April 1921, p. 1.

⁶⁹ *Ibid.*

⁷⁰ *Ibid.*, p. 4.

businessman in Denver.”⁷² The “kicker” of the story, however, was its claim that the “unsympathetic” sheriff was none other than M.L. Potter, Governor Dixon’s choice to replace Conley as state prison warden, and that “the kid” was Dixon’s own relative. Of course none of the story’s claims were substantiated by the *Independent*; the whole story was more than likely another in a long line of pure fabrications by the inventive Will Campbell. It nonetheless evidenced the consistent bent of the Company-dominated press to make the Governor and his appointees look as bad as possible. The *Record-Herald* defended the Governor’s actions in the Conley matter, citing the “very substantial sum” that it had cost to run the state prison for the past two years under Conley’s direction, referencing Conley’s ties to Dixon’s foes (i.e., the Company and their allies), and asserting Dixon’s right as governor to appoint individuals with whom he “could work on the basis of the fullest understanding and trust.”⁷³

For month after month, the Company press and its allied newspapers would fight Dixon’s “unjust” and “dictatorial” firing of Conley with the full weight of their arsenal while defending Conley as a great professional “penologist,” the loss of whose services would constitute an irreparable blow to the state. On the other hand, such pro-Dixon newspapers as the *Record-Herald* and the weekly *Western News*, questioned how Conley, on a salary of four thousand dollars a year, had managed to accumulate a personal fortune of nearly \$500,000. After much prodding, the state’s Attorney General, Wellington Rankin, filed suit against Conley. In November of 1923, the ex-warden was acquitted of

⁷¹ “The Kid,” *Helena Independent*, 19 April 1921.

⁷² Ibid.

⁷³ “State Prison Warden,” *Helena Record-Herald*, 15 April 1921, 4..

the charge against him in a juryless trial. This charge, however, was not whether Conley had defrauded the state of vast sums of money, but whether his manner of running of the prisons had directly violated any state law. In any event, the Conley case, with its tremendous press coverage in the state, had proved to be at best a major distraction of public attention away from Governor Dixon's reform agenda. At its worst the Conley affair had been a rather severe political blow to Dixon. The eventual acquittal of the warden proved to some that the Company press and its allies had been "right all along" in saying that the "dictatorial" Governor had unfairly targeted a good man for political reasons.

Under Montana's 1889 Constitution, the governor, along with the state's attorney general and secretary of state, formed the state's Board of Examiners and Board of Prison Commissioners. In turn, these three officials along with the state auditor and state treasurer, formed the Board of Equalization. This Board held a number of crucially important functions: it assessed public utilities, oversaw county levies on timber and mines, and heard appeals.⁷⁴ Governor Dixon had in the past been a persistent critic of the Board of Equalization, contending that it lacked the adequate professional staffing to arrive at good decisions. It was for this, among other key reasons, that he had advocated a Tax Commission. The new governor also felt that individual county assessors often badly undervalued certain assets, and that as a result a great amount of property was simply escaping taxation.⁷⁵ In August of 1921, the Board met a number of times to hear appeals

⁷⁴ Karlin, *Dixon of Montana*, 95.

⁷⁵ Ibid.

against county tax assessments. It was at this time that a serious rift between Dixon and his erstwhile political protégé, W.D. Rankin, became apparent. Rankin, who had been elected Attorney General in the Republican sweep of 1920, would clash repeatedly, and often harshly with Dixon on the Board of Equalization. It has been speculated that the reasons for this had to do with Rankin's political ambitions, namely, his desire to carve out some space of his own in the Republican Party in his bid for a seat in the U.S. senate in the upcoming 1922 elections. Since Dixon had already "sewed up" the progressive wing of the Party and incurred the enmity of the Company, the speculation is that Rankin had decided to "tack to the right" in order to gain the Company/conservative support necessary to win election the following year.⁷⁶ Although Rankin was consistently outvoted when he tried to lower taxation upon the major railroads that operated in the state, his luck would change when complaints against the Silver Bow County tax board were brought to the Board of Equalization. Representing the petitioners was a high-powered legal team that included such Company "big whigs" as C.F. Kelley and John D. Ryan. Dixon consistently supported the higher taxation rates that had been levied by county boards, but ended up being outvoted by Rankin-led coalitions in all of the remaining major appeals that came before the Board that year, including cases involving the assessment of stocks belonging to Anaconda's C.F. Kelley and to the long-lived W.A. Clark.

Another major blow to Dixon in his first year as governor concerned his inability to replace Montana's national Republican Party committeeman, O.H.P. Shelley. The

⁷⁶ Ibid., 94.

Republican committeemanship was a highly important position; indeed, the holder of this position controlled all federal appointments in the state as long as Republicans held the Presidency. Since Shelley was an Old Guard Republican, as friendly to the Company as he was hostile to the new governor, Dixon naturally wanted to replace him with someone more friendly. Although Dixon was at first apparently successful at this effort, Shelley appealed his case to the national Party where he gained reinstatement. Now Dixon was confronted with an incensed, hostile national committeeman (Shelley even published his own weekly newspaper which delighted in assailing the governor), which would both hinder his connections to the national Party and greatly hamper his ability to pass out federal patronage to his allies in Montana. This, of course, would undercut Dixon's power in the state in significant ways while allowing rival factions within the state Party to gain in power and prestige. A principal anti-Dixon faction within the state Republican Party was led by Shelley and former gubernatorial candidate Sam C. Ford; Dixon's "bete noir," senator John E. Edwards, and Wellington D. Rankin were loosely allied with this faction.⁷⁷

Seemingly beset on all sides, the old truism regarding the difficulty of "fighting the Company" in Montana politics must have had particular resonance for Governor Dixon as his first year in office drew to a close. Former allies such as Rankin had deserted him; the Company press and their allies blanketed the state with hostile coverage; his carefully crafted legislative agenda had been largely demolished; he had lost the bulk of his fights on the Board of Equalization and his control of Party patronage; his Party was developing

⁷⁷ Karlin, *Dixon of Montana*, 86.

camps hostile to him and his agenda and the regular Democrats were certainly no source of support. There was also cause for hope, though. A great majority of the state house had supported his agenda and often close to a majority of the senate had as well. He was developing a strong group of hard-core supporters who he knew would fight for him to the bitter end. He enjoyed the strong backing of one major daily, the *Record-Herald*, and of a number of weeklies, especially in the eastern part of the state. He had won some small, but meaningful victories in the legislature. Most importantly for Dixon, though, was the thought that another legislative election was coming and with it the chance to elect supporters of his program and defeat such determined opponents as John E. Edwards. For a progressive who was ever confident of the public's ability to decide issues correctly if given sufficient information, this was a challenge worth addressing. He would go directly to the people of Montana and persuade them to elect a set of informed, progressive legislators who in turn would pass his proposals in the next legislative session. It was clear that Joseph M. Dixon had not yet begun to fight.

In February, 1922, Dixon attended a "Tax Congress" meeting in Billings. The "Congress" drew attendees from all around the state, ranging from NPL "radicals" to representatives of the Anaconda Company. The Congress, focusing as it did on taxation issues and drawing good crowds and lots of statewide media attention, was a natural venue for Governor Dixon, who presented a major address. The governor spoke for two hours, giving the Company and other conservatives no quarter as he hammered home his usual themes. Complaining that any serious discussion in Montana of taxation issues would invariably bring down upon the speaker "the fierce antagonism of every special

interest affected by any change in the system,”⁷⁸ Dixon then went on to court that very antagonism by attacking the inequities of the current tax structure and arguing strenuously for his own program. Serving as the governor’s foil was Dan M. Kelly, a former state Attorney General and now a senior attorney with Anaconda, who represented the Company’s position on taxation at the conference. W.J. Hopper, who represented a number of his fellow farmers at the conference, claimed that there was “a great and growing protest against burdensome taxes” and said that his taxes had increased by 400 per cent in ten years. Hopper also registered his support, and presumably that of other farmers as well, for Governor Dixon, saying, “We are proud of the governor, who is doing all he can to make life better for Montana’s people.”⁷⁹ Another farmer, A.H. Bowman of Hardin, asserted that “the poor pay most of the taxes, and that the rich evade them” and attacked a number of state laws which he felt perpetuated this system.⁸⁰

On behalf of the Company, Dan M. Kelly claimed that despite losing over ten million dollars in 1921, Anaconda had paid nearly a million dollars in taxes (he was probably referring here not just to the company’s state taxes, but to its total tax burden for that year) and contended that Anaconda’s mines could not be accurately valued for taxation purposes. Kelly also maintained that for the past six years the company had paid nineteen dollars in taxes on every hundred dollars that it had earned and urged that taxes upon the state’s industries be lowered, not increased. In addition, and in good public relations fashion, Kelly expressed strong Company support for the formation of the state taxpayers

⁷⁸ Ibid., 121.

⁷⁹ *Helena Record-Herald*, 15 February 1922, 1, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 89, Folder 1.

association and pledged the Company to work together with mining and farming interests “for the development of the state.”⁸¹ Kelly’s somewhat dubious assertion that Anaconda’s mines could not be accurately valued was treated skeptically by some conference attendees. One speaker claimed that the company could find a number of experts who could “exactly value the property of the Anaconda Copper company” if it so desired, while another maintained that “if William A. Clark wished to buy Anaconda’s property he could find a way to value it.”⁸² Controversial Montana State College (Missoula) professor, Arthur Fisher, who had recently been suspended from the college for a year because of his vigorous involvement in anti-Company politics, spoke from the floor to contend that other tax experts, including the now famous Professor Louis Levine, had determined that Anaconda actually paid only six dollars on every one hundred that it earned.

The *Independent* granted full coverage to the Congress, and even carried the complete text of the Governor’s speech, but reacted in a predictably negative fashion to Dixon’s tax reform plans. Its lead headline for February 16th is indicative of both the *Independent*’s, and the Company’s, response to the heart of the Governor’s political programme. It read, “Governor Dixon Revives Legislative Message, Advances Weird

⁸⁰ Ibid.

⁸¹ *Record-Herald*, 15 February 1922, 1, Dixon Collection, Box 89, Folder 1. Karlin maintains that after the Farmers’ Union issued a call for the formation of a state taxpayers’ organization at its 1921 fall convention, Anaconda attempted to co-opt the incipient movement by forming its own phony taxpayers’ organization, the Montana Taxpayers’ Association. The Company’s efforts failed, however, in light of the widespread desire of the Farmers Union’s members to form their own, independent organization. This organization ultimately would hold the February, 1922 Tax Congress. See Karlin, *Dixon of Montana*, 120.

⁸² Ibid.

Schemes for More Taxes, Repeats Fictitious Figures on Prison Costs in Address.”⁸³ In a mark of the increasingly strained relations between the Governor and the “interlocking press,” in an editorial the following day, Campbell personalized his critique of Dixon. The editor charged the governor with having deliberately deceived the public at the Tax Congress, an accusation that would become a staple of the Helena editor’s attacks upon Dixon. Campbell wrote, “With his next breath the Governor of Montana repeated a set of figures on the cost of conducting the state prison *which he knew were false* (italics added) when he gave them out to The Associated Press...He let his little piece of fakery remain uncorrected by himself.”⁸⁴

In examining the Billings Tax Congress, it is worth noting that the Company apparently viewed the event to be of sufficient political importance that it merited sending one of its top lawyer-lobbyists there to present *its* case on tax questions to the public. In a way the Tax Congress can be viewed as a victory for the Dixonite forces. The conference focused on the issue that was of uppermost concern to the governor; it was well-attended, received heavy, albeit slanted, coverage in the state’s media (e.g., Dan Kelly’s address was printed *in toto* in all of the Company dailies, while Dixon’s remarks generally received only scant attention in these organs), and offered ample time both for both the Company and its many detractors to air their views on state revenue/taxation questions. Even if they were not yet winning major policy battles, the Dixonites at least

⁸³ *Helena Independent*, 16 February 1922, 1.

⁸⁴ *Ibid.*, 17 February 1922, 4.

could take some measure of pride in the fact that they were now largely setting the state's political agenda.⁸⁵

Additional evidence that the Company was taking the statewide debate on tax questions seriously, and was determined not to cede the field of debate to the Dixonites, was the appearance in January of a series of Company advertisements entitled "Taxation Talks." These ads, which would run daily for nearly two months in organs of the "interlocking press," were written and paid for by the Anaconda Company and expressed its views on the state revenue and taxation questions that the Governor had so effectively raised with the Montana public. Portraying itself as "just another Montana taxpayer" ("we share the common burden"), professing its support of the Taxpayers' Leagues, and committing to an open accounting of its tax payments to the state, the company also pointed to its payments to the state of \$11,244,719 in 1912 and \$25,573,536 in 1920 as evidence of the company's already great contributions to the state's coffers and to the "growing burden" of taxes upon all Montana citizens. The ads were endorsed at the bottom, by the "Anaconda Copper Mining Company, C.F. Kelley, President."⁸⁶ This represented a nice personal touch by the New York-based mining giant; Kelley, a Butte native of Irish descent, still enjoyed a reservoir of good will in his native state where he was regarded with pride as something of a "local success story."

The big stakes of 1922 clearly involved electoral politics, though, not tax conferences or "issue ads," although certainly each of these had a bearing upon outcomes at the ballot

⁸⁵ In fact, the governor was so pleased with the Tax Congress that he promptly signed up as a dues paying member of the tax leagues organization that had organized the event.

⁸⁶ "Taxation Talks," [advertisement] *Helena Independent*, 17 January 1922, 6.

box. Both Dixon and his progressive allies and the Company and their conservative friends were well aware of this, knowing that the battle over the governor's tax reform agenda likely would be rejoined by the 1923 legislature. A key to victory in that battle quite obviously would be the composition of that legislature. Therefore, both Dixon and his progressive allies and the Company and its conservatives "hit the campaign trail" hard in 1922, both sides determined to elect as many supporters to the upcoming legislature as possible. From early June until the August 29 primaries, Dixon campaigned vigorously for supportive candidates around the state. He often spoke several times a day, preferring to appear at popular events such as county fairs and stampedes rather than avowed political rallies.⁸⁷ The governor stressed certain key themes in these addresses, among them were the fact that his administration was realizing considerable savings in government, including \$142,000 at the post-Conley state prison; the need for a tax commission and tax equalization, and the necessity of a strong inheritance tax measure. To illustrate his case for tax equalization, Dixon would enumerate what other states had received from inheritance taxes the previous year, and then point out that under its current law Montana was entitled only to \$150 from the \$15 million estate of Butte mining tycoon James A. Murray. He then exhibited a check for one dollar written by the Clark family to the state treasurer, explaining that this was the total tax generated by the Elm Orlu mine for 1921, the same year the mine had produced nearly four million dollars in metals revenues.⁸⁸

⁸⁷ Karlin, *Dixon of Montana*, 127.

⁸⁸ Karlin, *Dixon of Montana*, 128.

Although, as usual, Dixon received favorable and complete coverage in the *Record-Herald* and the *Miles City Star*, both of which were dailies, and from a number of weeklies, including the *Hamilton Western News*, the governor's forces were clearly outgunned in the state's media battle, with Company-owned and Company-friendly newspapers dominating the field. Implicitly admitting that the Governor and his budgetary agenda were, in fact, the central issues of the campaign, the Company press and its allied organs concentrated their attacks on the "wasteful spending" of Dixon's allegedly "extravagant" administration. They also focused on the governor's allegedly poor character (e.g., he was called a "double-crosser" and a "political ingrate" by the *Helena Independent*), and admonished readers not to allow the "dictatorial" governor to "hand pick" his legislature.⁸⁹ The Company press coupled these attacks with its longstanding policy of largely ignoring Dixon's substantive addresses and not printing rebuttals to its negative commentary.⁹⁰

The *Record-Herald* responded both by defending the governor and his proposals and by going on the attack. It challenged the spending figures that were used by the *Independent* and its journalistic cohorts to indict the Dixon administration as "wasteful and extravagant," branded the newly-formed Montana Democratic Club a Company front organization, and became increasingly unsparing in its attacks upon the *Independent*, which it began to refer to as "The Helena Morning Interlocker," and its fellow anti-Dixon newspapers, which it labeled mere "tools of the great interests." In a pre-primary editorial

⁸⁹ Ibid., 129.

⁹⁰ Ibid.

entitled, "Bunking the People," *Record-Herald* editor Dr. O. M. Lanstrum wrote, "the Machine [author's note, i.e., the Company and its bipartisan political allies] put out figures comparing the costs of state government in 1916 with the cost of 1921 – jumping over the four years in between – in a wild effort to make the Montana public believe that the Dixon administration is extravagant."⁹¹ Countering the *Independent*'s charge that the "dictatorial" governor was attempting to "hand-pick" pliant legislators who would simply do his bidding, the *Record-Herald* responded that the primaries would give Montana voters a chance to select "...men known to be independent of the machine, free of the 'interlocking press', and clear of the forces behind this private interest."⁹² Shortly thereafter, in a front-page editorial, the *Record-Herald* attacked both the Montana Democratic Club, and its proponent, the *Independent*, in vigorous terms. The *Record-Herald*'s headline for this editorial read, "It's a Secret No Longer; Bogus 'Democratic Club' Confesses Its Nature."⁹³ In this editorial, Lanstrum described his fellow Helena daily by saying that, "The Helena Morning Interlocker is a good deal of a boob. The public has long appreciated that fact. Its lies are crude and blundering, and it makes confessions when it least intends such acts." For the next two-plus years, the "war" between the *Record-Herald* and the *Independent*, and their uncompromising editors, was to be every bit as vocal, vicious, and personal as was that between the Governor and his political antagonists.

⁹¹ "Bunking the People," *Helena Record-Herald*, 25 August 1922, 4.

⁹² "The Franchise," *Helena Record-Herald*, 28 August 1922.

⁹³ "Let's Talk It Over", *Helena Record-Herald*, 26 August 1922, 1.

Despite the conservatives' intense campaign, however, the Dixon forces had good reason to be pleased by the results of the August primary elections. Two of Dixon's great senate foes, John E. Edwards and Tom O. Larson, were defeated, while nearly all of the strong Dixonites had prevailed by wide margins. On the day following the Governor's triumph in the primaries, the *Record-Herald's* front page headline trumpeted, "Dixon Scores Victory, Voters Back Governor!"⁹⁴

The general election repeated the general patterns of the primary battle. Lacking widespread media support, the governor continued to "take his case to the people" and pound away in characteristic two-hour speeches at his now familiar themes. The Company continued to use its newspapers and "favorite son" candidates to hammer home its essentially negative message about the governor. In October, the *Independent* lobbed a grenade at the governor in the form of an editorial entitled "The Gravy Boat," which caused Dixon the greatest personal concern of any piece of commentary written about him during his long political career. Something of a masterpiece of its type, Will Campbell's editorial accused the Governor of indulging his fancy tastes in the governor's mansion at taxpayer expense, while most Montanans were suffering through a horrible depression. The irascible editor wrote, "For his own enjoyment he bought a 'gravy boat' for \$22.50 and some other dishes, aprons, collars, cuffs, towels, and finger bowls, paying \$1,478.77 for the articles...\$22.50 for a gravy boat does seem a little high when nine out of ten people in the audiences he addresses, eat their gravy from a bowl instead of a

⁹⁴ *Helena Record-Herald*, 30 August 1922, 1.

boat.”⁹⁵ Campbell concluded his editorial with, “Here’s hoping Governor Dixon enjoys his ‘gravy boat’ even if his dry-land farmer friends have no gravy to put in their Woolworth gravy bowls.”⁹⁶ The *Record-Herald* struck back at its adversary on the very same day with an editorial entitled, “Provincial Journalism.” Dr. Lanstrum responded, “The provincial is marked by his petty, narrow, small-town view of things; by the little, spiteful meannesses to which he descends; by his ignominious soul and pusillanimous spirit. The *Helena Independent* is the provincial par excellence.”⁹⁷ The new dishware, in fact, had been purchased by Dixon’s predecessor, Governor Stewart, a detail that Will Campbell failed to note in his editorial. Interestingly, on the day before the *Independent* ran “The Gravy Boat,” the *Record-Herald* printed an editorial in which it castigated the morning paper, maintaining that it “continues to lie about Governor Dixon in its unceasing persecution of him.”⁹⁸ Campbell, however, apparently had been unmoved by his rival’s reprimand.

Beyond Helena’s “linotype wars,” however, the state’s electoral battles continued to brew in the weeks leading up to the general election. A “fly in the ointment” for conservatives was the defection of Western District Congressional candidate, John M. Evans, a Democrat, to the Dixon side. Evans must have shocked the Company when he publicly endorsed the Dixon program for the state. Also undoubtedly upsetting to the Company and their allies must have been the proliferation of “Wheeler Democrats” who

⁹⁵ “The Gravy Boat,” *Helena Independent*, 12 October 1922, 4.

⁹⁶ Ibid.

⁹⁷ “Provincial Journalism,” *Helena Record-Herald*, 12 October 1922, 4.

⁹⁸ “Persecuting the Governor,” *Helena Record-Herald*, 11 October 1922, 4.

also were supporting the Dixonite agenda for state government.⁹⁹ One such political apostate was Professor Arthur Fisher, whose liberal publication the *New Northwest* endorsed the Democrat Wheeler for the senate while simultaneously embracing the Republican Dixon's legislative slate and agenda. One suspects that a number of "liberals" or "progressives" from both major parties followed Fisher's lead in 1922 and backed both Wheeler and Dixon. Although Wheeler would manage to claim much of his old 1920 constituency of workers, farmers, and liberals in this election, he also would add a number of moderates and Democrats to his rolls in this election. This was due in part to the fact that he distanced himself from the Non-Partisan League and generally moderated his stance in this campaign, and also was because he apparently did not face the determined Company opposition that he had experienced in 1920. In his autobiography Wheeler ascribed the Company's "neutrality" in his 1922 campaign to his "surprising victory" in the Democratic primaries, which forced the Company to choose whether to expend their resources in an effort to defeat his campaign or Dixonite legislative candidates. According to Wheeler's interpretation, the Company concluded that derailing the Dixonite agenda in the state was of greater importance than preventing him from gaining a U.S. senate seat (where he likely would be "less trouble" than were he to remain in the state), and thus focused its efforts on defeating Dixonite legislative candidates while remaining largely aloof from Wheeler's senate campaign. As Wheeler put it, "The Company strategists realized they could not expect to openly attack me and at

⁹⁹ B.K. Wheeler quickly resurrected his political career following his disastrous 1920 defeat. Shunning all NPL support and refraining from publicly attacking the Company, Wheeler managed to win the Democratic

the same time hope to achieve the Company's goal of electing a Democratic Legislature which would defeat Governor Dixon's tax program."¹⁰⁰

Throughout the fall, the *Independent* and other newspapers in the Company fold hammered away at the theme that Governor Dixon wanted to raise exorbitant taxes to fund his extravagant administration. These newspapers also again stressed the Governor's alleged efforts to hand pick pliant legislators to do his bidding. Will Campbell wove some of these arguments together in his editorial, "Siren Song for More Taxes," in which he wrote, "If Governor Dixon is able next Tuesday to put over his 'rubber stamps' legislature for which he argues everywhere he has been the past four or five months, it will take many additional dollars out of the small salaried people of the state, to say nothing of property owners, large and small."¹⁰¹ The *Independent* also continued to pound away at the message that Governor Dixon was, in essence, a liar. In a front-page editorial, Campbell wrote, "Governor Dixon will stand before an audience in the Shrine temple tonight and report untruths which he has been telling in every address he has made since he became Governor of Montana."¹⁰² On the Sunday before the election, the *Independent* published a lengthy front page editorial that challenged the need for the Governor's proposed Tax Commission which would appear on Tuesday's ballot. On election day, the *Independent* was still at it, running an editorial that essentially placed all

nomination for the U.S. Senate in 1922. With apparent Company neutrality, or possibly even support, in the race, Wheeler was poised to be elected to the senate in November, where he would serve from 1923-47.

¹⁰⁰ Burton K. Wheeler, *Yankee from the West: The Candid, Turbulent Life Story of the Yankee-Born U.S. Senator from Montana*, (Doubleday & Co., Garden City, NY., 1962), 191.

¹⁰¹ "Siren Song for More Taxes," *Helena Independent*, 4 November 1922, 4.

¹⁰² "So The People May Know," *Helena Independent*, 11 November 1922, 1.

the blame for the state's woes squarely on the governor's shoulders. According to Campbell,

Joseph M. Dixon has attempted to force his personal ideas and weird schemes into every other department...to say that the state capital is a muss is not fairly describing it. The air fairly snaps with discord and political hatred...Most of this trouble is caused by the Governor's belief that no one is honest, no one is wise, no one is for the good of the state, but himself.¹⁰³

The governor continued to be strongly supported and defended by the *Record-Herald* and a few other stalwarts, however. The *Record-Herald* consistently granted positive coverage to Dixon's 1922 campaign. For example, a few days before the election it reported that, "Governor Joseph M. Dixon was cheered to the echo here last night by more than 1,500 citizens of Butte, who filled the Broadway theatre..."¹⁰⁴ A couple of days later, the *Record-Herald* editorialized in favor of supporting the Governor's election agenda, writing,

The big question is whether the voters of this county and the state will let the "interlocking press"...and the other liars of that hierarchy of wealth, industry and venal politics fool them; or will see past the lies, be true to their own interests, and vote for the state tax commission and the legislative candidates pledged to the Dixon tax equalization program, such as Chatfield, Shoemaker, and Smith of this county...¹⁰⁵

Dixon's victory in the general election was not quite as great as it had been in the primaries, but it nonetheless constituted a triumph. The tax commission amendment prevailed by a sizable margin; Republicans maintained control of both houses of the legislature (although in the house the G.O.P.'s majority had been trimmed considerably,

¹⁰³ "Good Government or Bad?," *Helena Independent*, 7 November 1922, 4.

to 56-44), and Dixonites appeared to outnumber their opponents by a slight margin. Some mighty Dixon opponents had been felled, including John E. Edwards, who had run again in the general election on a Taxpayers' ticket, and Edward J. Donlan, another member of the senate's "Big Four." As Dixon wrote in a typical letter to a supporter shortly after the election,

The fact that in the face of the combined opposition of all the big copper company dailies and most of the democratic and republican politicians, we have carried the constitutional amendment for a tax commission by a majority of fifteen thousand, looks almost like a miracle. It appears now as though the Legislature, in each house, stands with me in about the ratio of 3 to 2, but there are already ugly rumors afloat and you know the power of concentrated wealth with Montana Legislatures.¹⁰⁶

Dixon's letter conveys both his excitement about the "David and Goliath" quality of the victory of the tax commission amendment along with his happiness at apparently having won supportive majorities in both legislative chambers, but it also reflects concerns about the continued "independence" of legislators during the upcoming legislative session.

There were other clouds on the horizon for the governor as well. A number of Dixonites who had been legislative leaders had been felled, including senator O.H. Junod, senator John E. Foster, and senator David Hilger. Also, while it appeared that Dixonites again would be dominant in the house, the senate likely would remain a trouble spot for the governor due to the losses of Dixon supporters. The question loomed large over Dixon as the 1923 legislative session approached: would he be able to alter the historic pattern of

¹⁰⁴ "Dixon's Hecklers Hooted at Big Butte Meeting," *Helena Record-Herald*, 3 November 1922, 1.

¹⁰⁵ "Let's Talk It Over," *Helena Record-Herald*, 6 November 1922, 1.

¹⁰⁶ Joseph M. Dixon to B.E. Mathews, 14 November, 1922, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 46, Folder 9.

Company dominance over the Montana legislature, in this, the final regular legislative session of his term as governor? Only the results of the legislative session itself would be able to answer the question.

The press reacted predictably to the elections. The Company-dominated press either poured cold water over the governor's slight victory or denied it altogether, while continuing to hammer away at Dixon. The pro-Dixon newspapers proclaimed the governor's triumph in the elections and hailed both him and his agenda. Representative of the "interlocking press's" reaction was the *Independent's* editorial, "The Beginning of the End," that heaped scorn upon "the Dixon political machine" and viewed the election results as proof that "the machine" was doomed to defeat in 1924.¹⁰⁷ A Democratic organ, the *Independent* also lavishly praised its former arch-foe, B.K. Wheeler, who garnered a U.S. Senate seat in the 1922 elections. The following day, Will Campbell condemned the Governor for his supposed treatment of newly elected legislators as "rubber stamps" and for his alleged lack of party loyalty. This constituted an effort to drive wedges between the governor and legislators who pledged to be independent of Company control and also between Dixon and the conservative wing of his own party. Again raising the specter of "Dixon the dictator," Campbell wrote, "If you were a newly-elected member of the legislature – house or senate – and just beginning to feel that you were on the road to statesmanship...how would you like to have the governor and his newspaper publish a statement claiming you as their own little 'rubber stamp?'"¹⁰⁸

¹⁰⁷ "The Beginning of the End," *Helena Independent*, 9 November 1922, 4.

¹⁰⁸ "Rubber Stamps," *Helena Independent*, 10 November 1922, 4.

Even before the opening of the new legislative session, political intrigue of an anti-Dixonite hue was already apparent. Evidently, a number of anti-Dixon Republicans from the state house had hatched a plan to skip their Party's New Year's Eve caucus and then vote for the Company's Democratic slate of officers the following day. This, of course, would have the devastating effect of giving the outnumbered, pro-Company Democrats control of the house. Such a maneuver would have rendered the passage of Dixon's legislative agenda in the house highly doubtful. Fortunately for the governor, he had liberal supporters in the Democratic caucus who prevented the crafty efforts of the "copper Republicans" from coming to fruition. Receiving wind of the anti-Dixonites' plans, a half-dozen "radical Democrats," hailing from that Party's farm bloc, threatened to withdraw from the Democratic caucus and vote for a Dixonite slate of Republican leaders the following day. Realizing that this would completely undermine their plans, the "Copper Republicans" gave up their scheme, and voting for the house leadership proceeded along normal partisan lines.¹⁰⁹ In the state senate, however, as usual things went awry for the Dixonites, some of who appear to have been sucked in by the copper Republicans' appeals for "unity" and "harmony." Despite their slim majority in the senate, the Dixon forces were outmaneuvered by their intraparty foes and thus allowed control of the vitally important Committee on Committees, which determined the memberships of all standing senate committees, to elude them. It must have been with great shock and dismay that the governor witnessed the ascension of the firmly anti-Dixonite John Leuthold to the chairmanship of the committee and of Frank A.

¹⁰⁹ Karlin, *Dixon of Montana*, 144-45.

Hazelbaker, a member of the old Edwards-Donlan faction, and William T. Cowan, a somewhat lukewarm Dixonite, to the remaining two seats on the committee.¹¹⁰

Something had clearly gone very wrong, for now it was apparent that anti-Dixonite Republicans would be able to determine the composition of all of the senate's committees. Not surprisingly, the Committee on Committees permitted Dixonites to hold the chairmanships of committees of relatively minor importance, while "packing" such truly vital committees as taxation, judiciary, oils and leases, and mines and mining with solid phalanxes of anti-Dixonites.¹¹¹ It was through these committees that the heart of Dixon's program would have to pass; it was now highly unlikely that the bulk of the governor's key bills would receive favorable reports from the senate committees to which they would be referred. Somewhat brazenly, Committee on Committees member and staunch anti-Dixonite, Senator Hazelbaker, assigned himself to the chairmanship of the Taxation Committee, where the lion's share of Dixon's major proposals was due to be sent. As if to add insult to injury, the Taxation Committee was then organized along the following lines: six anti-Dixonites, two Dixonites, and one avowed "neutral."¹¹² It is evident that the conservatives were not about to "risk anything" with this crucial committee. Too late, the senate's Dixonites realized the trouble they were in and attempted to force the reorganization of the Taxation Committee, but were defeated in a very close but telling 27-25 vote. Having been thoroughly outflanked in the matter of the organization of committees, Dixonites now turned to their last resort, promising to expose

¹¹⁰ Karlin, *Dixon of Montana*, 143.

¹¹¹ *Ibid.*, 146.

¹¹² *Ibid.*, 146-47.

all legislators' votes in friendly newspapers. By this stratagem, the Dixonites hoped to shame those legislators who had run on a pro-Dixon agenda but who now were contemplating voting "the Company line."¹¹³

On January 2, 1923, Governor Dixon delivered his second "State of the State" message to the legislature. It was in many respects similar to the message he had delivered to the legislature two years earlier. The state, in fact, was still struggling with a pronounced economic depression and the state government with a large budget deficit. The governor again focused his address upon the serious ills facing the state, and then offered proposals for how best to address these problems. He began by pointing out that the state faced a net deficit of \$2,273,929.13 (adding that his administration had contributed but \$671,835.88 of this), and highlighted the fact that of every one hundred dollars gathered in state revenues, \$91.50 of this was spent by the counties, cities, and school districts. Dixon's principal legislative proposals were again thoroughly progressive. They brought forth a number of new plans for the taxation of corporate profits, and if anything were even more threatening to the state's conservatives and its entrenched economic interests than had been their counterparts from the previous legislative session. Among his major points, the governor stated that property taxes on land "were approaching the point of confiscation" and complained that "intangible wealth was escaping almost tax free" (i.e., corporate profits, stocks and bonds, etc.).¹¹⁴ He urged the legislature to appoint a non-resident, preferably the noted Wisconsin tax expert

¹¹³ The *Record-Herald* did publish, in highlighted typeface, all of the legislators' votes for the 1923 session.

¹¹⁴ Karlin, *Dixon of Montana*, 146-47.

Nils Haugen, to the new Tax Commission; called for the adoption of a Wisconsin law that assessed Pullman cars traveling through the state; and advocated a six cents a barrel tax on all crude oil extracted from Montana. Most threatening to the Company were Dixon's proposals of a tax on three percent of the gross proceeds of hydro-electric corporations, a graduated income tax on corporations and persons, and a twelve cents per ton tax on all "metalliferous ore" extracted in Montana. The tax on hydro-electric corporations would hit the giant Montana Power Company right in its bottom line, just as the tax on the gross proceeds of "metalliferous ore" extractors would impact Anaconda.¹¹⁵ This latter tax proposal represented the first time that a major piece of tax legislation in Montana had targeted the Company's gross proceeds. Obviously too, the graduated income tax proposal would most heavily impact those Montana corporations and individuals, such as MPC and Anaconda and their top executives, that earned the most money. The "upstart governor," who they had been highly instrumental in electing, was now daring to hit the company right where it hurt the most, squarely in the pocketbook.

The reform-oriented governor also proposed three constitutional amendments in his Message to the Legislature: one to prescribe qualities for county superintendents of schools, the second a measure designed promote the conservation of Montana's trees by exempting standing timber for recurrent annual levies, and the third to permit the state to collect the entire tax revenue from the railroads and then to pro-rate it back to local communities on the basis of school population. Finally, in an attempt to deal with the

¹¹⁵ Ibid., 145.

growing banking crisis in the state (42 state banks had closed their doors since the crisis had begun in the fall of 1920), Dixon recommended thirteen changes designed to strengthen the regulatory control of the state superintendent of banks and also discussed the desirability of a state law to guarantee bank deposits.¹¹⁶

The reaction to Dixon's address followed the usual patterns. Members of the "interlocking press" howled in rage and anguish against the latest round of iniquities proposed by the "little dictator" of a governor and countered his reformist proposals with calls for "rigid economy" in government as the sole appropriate means for dealing with the state's budget crisis.¹¹⁷ The *Helena Independent's* headlines for the day following the governor's address were fairly typical of the outcry, screeching, "Dixon Asks for Power of Czar and Mint of New Taxation, Seeks to Saddle Fresh Burden on People."¹¹⁸ The following day the *Independent* inveighed against the great centralization of power that supposedly would result from the acceptance of the Governor's legislative agenda. An *Independent* headline read "Centralization of Power Would Come of Passage: Lid Off As Far As Expense Concerned."¹¹⁹ Inside the issue, Campbell once more accused Dixon of craving excessive powers, writing, "The Governor seems to have overlooked the fact that our Federal Constitution 'guarantees to every state in this union a republican form of government'...No one can read the message of the governor and not recognize the

¹¹⁶ In this Governor Dixon may have been truly prescient. His proposal predated by a decade President Franklin D. Roosevelt's highly successful federal legislation to guarantee the safety of bank deposits, likewise intended to stop "runs on the banks" and thus prevent bank closures.

¹¹⁷ Karlin, *Dixon of Montana*, 146.

¹¹⁸ *Ibid.*

¹¹⁹ *Helena Independent*, 4 January 1922, 1.

tendency which he has to autocracy and feudalism.”¹²⁰ On the other hand, the *Record-Herald* continued to sing the Governor’s praises, responding to his legislative message with an editorial entitled, “Dixon, Montana Statesman.” In the piece Dr. Lanstrum solemnized that, “Governor Joseph M. Dixon’s message to the state legislature is the strongest, sanest and most logical state paper ever issued in Montana.”¹²¹ The *Record-Herald* also continued to serve as the Governor’s journalistic pit bull, countering charges against Dixon with defenses of the governor and with counterattacks upon his critics. For example, in the editorial ““interlocking press” Hammers” the *Record-Herald* maintained that, “The editorial hammers of the “interlocking press” – the press that serves the big Tax Dodgers of Montana – are again going strong, knocking the governor for his efforts...The people of the state understand the *Helena Independent* and the other newspapers that support the tax dodgers and they are merely amused by these howls.”¹²²

In its first order of business, Dixon’s choices for the three slots on the voter-approved Tax Commission were approved by the legislature, but not before key provisions of his Tax Commission bill were altered. The vital “Haugen waiver,” which would have permitted out-of-staters such as legendary tax expert Nils Haugen to serve on the commission, was struck down. In addition, Dixon’s salary recommendation of \$6,000 per year for Commission members was reduced to \$5,000 per year. Unsurprisingly, the Company press and its journalistic allies ripped into the governor’s selections for the Committee, charging that they were mere “pawns” of Dixon’s and also alleging that they

¹²⁰ “Wants Considerable Power,” *Helena Independent*, 4 January 1922, 4.

¹²¹ “Dixon, Montana Statesman,” *Helena Record-Herald*, 4 January 1922, 4.

¹²² ““Interlocking Press’ Hammers,” *Helena Record-Herald*, 4 January 1922, 4.

lacked the requisite expertise for the job. The *Independent* heaped scorn upon Dixon's appointments, strongly implying that they were appointed simply because of their political loyalties to the governor.¹²³ More of a surprise to the governor was the fact that a number of normally supportive newspapers also were quite critical of his appointments, generally focusing on the charge that his selections lacked the proper expertise for such an assignment.¹²⁴

Evidently the governor finally had heard enough and decided to respond directly. He defended his appointments, saying that, deprived of the latitude to select members from outside the state, his talent pool had been limited to Montana. Unfortunately, however, the state's only "tax experts" were employees of the Anaconda and Montana Power Companies and the big railroads, and he believed these persons to be too tainted by the influence of their employers to be able to serve effectively on the Commission. Thus, the governor's chief criteria for appointment to the Commission had to be the qualities of "character" and "independence."¹²⁵ The *Record-Herald* used his enemies' attacks upon Dixon's appointments as sound evidence that the Governor must have chosen good people for the jobs, writing that this constituted, "the finest proof in the world that these three men are for the people of Montana."¹²⁶ The Governor's defense of his appointments was an interesting one; it demonstrated the extent of Dixon's concern for the relative level of "independence from the interests" possessed by Tax Commission members and

¹²³ "Our Tax Commission," *Helena Independent*, 3 February 1923, 4.

¹²⁴ The *Record-Herald* and a few other newspapers remained steadfast to Dixon in this fight, however, and even rose to his defense.

¹²⁵ Karlin, *Dixon of Montana*, 149.

¹²⁶ "Let's Talk It Over," 3 February 1923, *Helena Record-Herald*, 1.

also displayed the governor's awareness of the continued political utility of maintaining his image as an "anti-Company politician."¹²⁷

In the meantime, anti-Dixonites in the legislature continued their efforts to strike out at the state's chief executive. In these efforts, they were undoubtedly supported by the Company. In an effort designed both to distract public attention from Dixon's taxation proposals and to further erode the governor's public standing, "copper Republicans" had organized three-man investigating committees for the purpose of uncovering evidence of corruption, incompetence, inefficiency, and extravagance in the Dixon administration.¹²⁸ Of course, any such "discoveries" would be immediately publicized. An example of the type of headline that readers could expect routinely to come across in the Company press and its allied organs was the *Independent's* editorial, "Costs of Government Constantly Increase."¹²⁹ A prime target of these investigations was administration official Jerry Locke, who managed the state's workman's compensation funds. The committee charged that Locke had mismanaged these funds, and intimated that he had rewarded a "broker friend" with exorbitant profits. Despite the fact that none of the "charges" against Locke seem to have been "proved" in any sense, the Company press and its allies printed "The Chronicles of Jerry Locke," along with selected testimony from committee hearings, all

¹²⁷ Attesting to the fact that the Tax Commission truly threatened the Company is the Montana Power Company's filing, in August of 1923, of a second lawsuit in state court that contested the Commission's constitutionality, after another similar suit already had been filed. The first suit ended up going before the state Supreme Court, certainly with the Company's full backing. Much to the Dixonites' relief, the Court ruled in October, by a 3-2 margin, that the Commission did in fact comport with the Montana Constitution.

¹²⁸ Karlin, *Dixon of Montana*, 149-50.

¹²⁹ "Costs of Government Constantly Increase," *Helena Independent*, 5 February 1923, 4.

of which, needless to say, painted the administration in an unfavorable light.¹³⁰ The “interlocking press” also published a number of articles with headlines such as “Short in His Accounts?”¹³¹ and “Purchased Bonds by State Under Probe...”¹³² The Company press and its friends also were more than happy to report that Attorney General Wellington Rankin testified that present conditions of the Board of Examiners were “pitiful,” claiming that under Dixon the Board “had become ‘the most inefficient and neglected of all state departments.’”¹³³

Meanwhile in the legislature, the house passed some critical pieces of Dixon’s agenda, supporting a revised inheritance tax, a three percent oil tax, and a one percent metal mines gross proceeds tax. The future of the governor’s proposals looked far dimmer in the senate, however. On February 13 Dixon wrote to his old friend, national columnist Mark Sullivan, and expressed his concerns about the prospects of his tax agenda in the senate and about the future of majoritarian democracy in Montana. Describing the “political situation” in the state to Sullivan, Dixon wrote,

The ‘politics’ is rather misleading. You know political party names mean but little in this state. The real line of demarcation is whether the member is controlled by the big invisible government of the state [author’s note: by this Dixon meant primarily “The Company”] or whether he is independent of such control. Under this designation the House is with me in the ratio of about two to one. The Senate is very very close.¹³⁴

¹³⁰ Karlin, *Dixon of Montana*, 151.

¹³¹ “Short in His Accounts?,” *Helena Independent*, 6 February 1923, 4.

¹³² “Purchased Bonds by State Under Probe...,” *Helena Independent*, 3 February 1923, 1.

¹³³ Ibid.

¹³⁴ Joseph M. Dixon to Mark Sullivan, 13 February 1923, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 48, Folder 7.

Describing to Sullivan the present nature of the political conflict with the Company, Dixon wrote, "The whole fight in Montana for the past two years has been the equalization of the tax burden. Under our constitution the mine companies pay on 'net proceeds,' while the farmer and home owner pays on a capital investment whether any net proceeds or not."¹³⁵ Assessing his forces' chances in the upcoming senate fight, Dixon remarked to his old colleague,

We are now engaged in an effort to put over a one percent gross license proceeds tax for the mining companies and two per cent gross proceeds for the big Montana power company [sic], and three per cent gross proceeds on crude oil. It is still anybody's battle, but I have faith to hope we may be successful. So far as wealth and newspapers are concerned, the odds are overwhelmingly against us. *It is the same age long battle between special privilege and the disorganized mass* (italics added) "¹³⁶

It is clear from Dixon's correspondence that he viewed *himself* as the leader of the "disorganized masses" in opposition to the forces of "special privilege," as most clearly represented by the Company. If the 1923 battle over gross taxes upon the mining and power corporations in the state senate was to be Dixon's Runnymede, however, he would need to have a good many reinforcements.

In the end, the senate again proved to be a true bulwark of conservatism and Company prerogatives. It treated Dixon much as it had in the previous legislative session; that is to say, the senators either shot down or emasculated his entire agenda. On February 23 the senate killed the mine taxation bill, almost without debate, by a vote of 30-24. It went on

¹³⁵ Ibid.

¹³⁶ Ibid.

to add a great number of weakening amendments to the inheritance tax bill, and reduced the oil tax to two percent. The *Helena Independent*, no doubt expressing the widely shared viewpoint of the Company-affiliated press on this subject, immediately published an editorial entitled, "The Mines Tax Dies!" This piece placed the blame for the defeat of the mine tax bill squarely at the governor's feet, contending that by treating legislators with insulting disrespect and by punitively targeting the Anaconda and Montana Power Companies for excessive tax increases, Dixon had frittered away the goodwill and support of many legislators.¹³⁷ The *Record-Herald* and other staunch Dixon supporters viewed the reasons behind the governor's defeat on this crucial measure rather differently. In a front-page editorial, Dr. Lanstrum's newspaper framed the governor's defeat in the following terms: "The A.C.M. co. once more are masters of the state of Montana...Thirty men in the state senate out of 54 bow the pregnant hinges of the knee to the vast corporation, sovereign of the state of Montana, now capitalized at over \$500,000,000..."¹³⁸

At the end of February, B.K. Wheeler addressed the state house on the eve of his departure to assume his senate seat. It is interesting to note how differently the *Helena Independent* and its afternoon counterpart reported this address. Both carried front-page stories dealing with Wheeler's address, but that is where the similarities between the two accounts end. The *Independent's* article focused upon the senator-elect's apparent frustration with the legislature's inability to balance the state's books and on his calls for

¹³⁷ "The Mines Tax Dies!" *Helena Independent*, 24 February 1923, 4.

¹³⁸ "Let's Talk It Over: The Invisible Government Still Rules," *Helena Record-Herald*, 24 February 1922, 1.

increased 'economy' by the legislature, while the *Record-Herald's* article centered upon Wheeler's criticism of the legislature for its failure to pass "fair tax laws." The *Record-Herald's* article, entitled "Failure to Enact Fair Tax Laws Called Crime by B.K. Wheeler," equated Wheeler's criticisms of the legislature with those made by Governor Dixon. Dr. Lanstrum's newspaper wrote, "Declaring that it was a crime that the Montana legislature had not enacted laws to equalize the tax burden and cut the expenses of government, as asked by Governor Joseph M. Dixon, United States Senator-elect B.K. Wheeler of Butte berated the lower branch of the assembly in a short talk on Wednesday noon."¹³⁹ Perhaps it is not surprising that both newspapers reported the popular Wheeler's speech in such a way that it harmonized with their own respective views on the governor and on state budget questions. It appears to be the case, however, that the *Record-Herald's* account of the address is the more accurate of the two and that the *Independent* committed a "sin of omission" in its reporting, neglecting to mention Wheeler's expressed support of Dixon's tax agenda. Not only did Will Campbell enjoy a reputation for often "playing loose" with the facts in his news stories, but the *Record-Herald's* account of the senator-elect's talk is essentially in agreement with Wheeler's own account of it in his autobiography, *Yankee from the West*.¹⁴⁰

Although Dixon once again spoke out eloquently in denunciation of the senate's actions before the end of the legislative session -- in particular pointing out its fiscal irresponsibility given the state's indebtedness -- the writing was already on the wall. By

¹³⁹ "Failure To Enact Fair Tax Laws Called Crime By B.K. Wheeler," *Helena Record-Herald*, 28 February 1923, 1.

¹⁴⁰ Wheeler, *Yankee from the West*, 187.

now it was clear to Governor Dixon and his fellow progressives, that if the state were to have major tax reform, it would have to come not through the legislature but via a direct vote of the people.

There still remained some legislative business for the governor to attend to in the wake of the disappointing session. Before him lay the roughly 200 bills that the legislature had passed in its final forty-eight hours, including a number of "ripper" bills that had been intended to punish or embarrass Dixon and his allies. These pieces of legislation evidence the personal level to which the battle between Dixon and his Company-backed foes had deteriorated. Such key administration officials as Jerry Locke and George Lanstrum were singled out for large salary reductions, Lanstrum's Highway Commission was "gutted," and patronage that the governor had assigned to Lanstrum's friendly newspaper, the *Record-Herald*, in the form of the contract to publish the treasurer's quarterly reports, was put out for bids.¹⁴¹ Dixon quickly dispatched of the "ripper" legislation with his veto pen, for which he was as usual roasted in the pro-Company press. Campbell's *Independent* followed the governor's veto of Locke's salary reduction with the headline, "Governor Dixon Saves Juicy Salary for Favorite Political Lieutenant."¹⁴²

The governor would find himself even more roundly criticized in the Company press for his vetoes of the two principal budget bills, which he appears to have done in the fashion of a line-item veto, reducing appropriations by nearly \$600,000. Although this

¹⁴¹ Karlin, *Dixon of Montana*, 154. Although not precisely an example of "disinterested government," Governor Dixon's practice of rewarding friendly newspapers with state government publishing contracts appears to have been the norm for that era in Montana politics.

action seemed to be in keeping with the constant calls of Dixon's critics for greater economy in government, his action and its suspected motivations were nonetheless much maligned. Unfortunately for the governor, the state Supreme Court also found reason to question his veto of specific appropriations, accepting a case that challenged its constitutionality. In January 1924, the state's high court ruled the governor's line-item veto of specific legislative appropriations to be contrary to the Montana constitution, and in essence forced the legislature back into session to repair the now highly confused state budget. Clearly reveling in Dixon's misfortune, the following day the *Helena Independent* ran a caption under a picture of the governor that read, "Joseph M. Dixon: Governor of Montana, whose Political Grand-standing and Blunders Have Cost the Taxpayers of Montana Tens of Thousands of Dollars." It then went on to write of its hapless target,

Governor Joseph M. Dixon's blundering attempt to cut appropriations bills passed by the Legislative Assembly of 1923 was held invalid today by the State Supreme Court...and an extraordinary session of the Montana Legislature will be necessary to finance the state as the court holds that the Governor not only had no authority to make the cut as he did but his failure of approval in a lawful way killed the appropriations bills and almost every state department is now without an appropriation."¹⁴³

Although the Court's ruling obviously was somewhat politically damaging to the governor, he appears to have been unshaken in his belief that he had done the right thing in slashing the appropriations. Noting that it was the legislature's constitutional duty to leave the state's budget balanced, which it had grossly failed to do at the end of the 1923 session, Dixon felt that he had acted in order to uphold the state's constitutional mandate.

¹⁴² Ibid., 154.

He also noted that governors of other states had acted similarly when faced with like situations, including his friend from the old Bull Moose days, Pennsylvania Governor Gifford Pinchot.¹⁴⁴ Dixon then called the legislature back into session, narrowly drawing its agenda so that it could focus only upon fixing the budgetary problems. Meeting from January 22-29, the legislature, confined as it was to a narrow cost-cutting agenda, for once during Dixon's tenure in office functioned largely without incident, approving the bulk of the governor's budgetary reductions.

Dixon would have one more good skirmish with his conservative, Company-backed adversaries before the epic gubernatorial election battle of 1924. This fight was a return to the old battles between Dixon and his Republican foes over control of the state party. After the elections of 1922, and the ouster of the Company-friendly Shelley, it had appeared briefly that Dixon and his allies might have wrested control of the state party machinery, and with it the pipeline to federal patronage in the state, away from their adversaries. This apparent victory was short-lived at best, for as it turned out the Company and its friends still had powerful allies in the White House. By early 1924, it had become apparent to Dixon and his allies that they were far from being in a position of control when it came to determining federal appointments in the state. When Dixon complained bitterly to President Coolidge's Postmaster General, Harry S. New, about the fact that Thomas A. Marlow, a Company ally (Dixon actually referred to him, less charitably, as "the open and avowed political agent" of Anaconda), was dictating federal

¹⁴³ *Helena Independent*, 12 January 1924, 1, Joseph M. Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 89, Folder 5.

¹⁴⁴ Karlin, *Dixon of Montana*, 163-64.

appointments in the state's Western congressional district, the Postmaster replied that this was naturally the case because Marlow "was a good personal and political friend of the President as he is of mine."¹⁴⁵ Although Dixon apparently could do nothing to alter this frustrating situation wherein he once again was bested by the Company, he at least could vent his anger about the matter. This the governor did in a letter to Postmaster New, in which he complained that Montana Republicans could not understand why the Company, which he referred to as "the big Democratic corporation that has so largely debauched Montana politics,"¹⁴⁶ continued to control federal patronage, especially in light of the "widespread corruption" of the Harding administration.¹⁴⁷

In yet another attempt to gain leverage over federal patronage in the state, Dixon fought aggressively for control of the state party machinery at the Republican State Central Committee meeting, which convened in Helena in January, 1924. This battle pitted Dixon's candidate for national committeeman, *Record-Herald* publisher Dr. George Lanstrum, against Wellington Rankin's choice, Sam D. Goza.¹⁴⁸ Lending drama to this contretemps was the fact that for years Goza had been Dixon's loyal and effective political field lieutenant, and had in fact played an important role in his 1920 victory. Lately the relationship between the two was rumored to have cooled somewhat, however. As often was the case when the governor battled with his fierce rival, Rankin, the fight

¹⁴⁵ Ibid., 167.

¹⁴⁶ Ibid.

¹⁴⁷ Ibid.

¹⁴⁸ In mid-December, in yet another tilt at Dixon, Rankin had attempted to "steal the thunder" from his rival by announcing that Dixon would be a candidate for governor in the next election, despite the fact that the governor had not yet made any public statement on the subject. Rankin's "announcement" forced an angry Dixon to deny that he was a candidate for any office at that time.

quickly turned nasty. With the apparent support of the Company, Rankin campaigned aggressively for Goza, accumulating a number of votes from Dixonites. He pled for a secret ballot for the final vote but was rebuffed on this question by the Dixon forces. In the end, Lanstrum defeated the governor's former lieutenant by a vote of 29-13.¹⁴⁹

Although Dixon had won a victory, it was somewhat tainted by his refusal to allow a secret ballot and by his seemingly cold defeat of a longtime ally. Of course, the "interlocking press" had a field day with this story of "intrigue and betrayal." The *Independent's* initial front-page headline on the matter read "Dixon Brings Defeat to Man Who Made Him Governor of Montana."¹⁵⁰ In its succeeding article, the *Independent* commented, "Openly using all the political power at his command, and personally conducting the fight, Governor Joseph M. Dixon yesterday succeeded in defeating his closest and most loyal friend, Sam D. Goza for the national committeemanship...."¹⁵¹ Although the *Record-Herald's* "objectivity" would appear to have been more than slightly compromised by Dr. Lanstrum's key role in the committeemanship battle, his newspaper nonetheless reported without apology on the state central committee meeting, advancing the proposition that the Company was attempting to influence the outcome of the committemanship battle through the efforts of T.A. Marlow, a Helena banker, along with a number of others. Complaining that the Company was trying to "rig" the meeting for its own purposes, the *Record-Herald* wrote, "The big interests were represented by officials of the A.C.M. co. and the Montana Power co. with employees actually holding

¹⁴⁹ Karlin, *Dixon of Montana*, 162.

¹⁵⁰ "Dixon Brings Defeat To Man Who Made Him Governor Of Montana," *Helena Independent*, 9 January 1924, 1.

proxies in the meeting and by representatives on the sidelines ready to advance members of the committee known to be friendly to the interests.”¹⁵²

For all intents and purposes, Joseph Dixon’s work in his first term as governor was done by the end of January 1924. The 1923 legislature finally had finished its budgetary work, and Dixon at long last had secured the election of a loyal national committeeman in Dr. Lanstrum. Although he had not come close to securing all of his legislative agenda, the governor had won some victories through the implementation of an oil tax, an inheritance tax, and the creation and then the preservation of a Tax Commission. Further, he had been able largely to set the agenda for the state’s public policy debates over the past three years. But, as he well knew, his work was unfinished. The state’s budget and banking crises were far from over. Real tax equalization had not yet occurred: the mining and power corporations were still taxed on the basis of their net proceeds, while the state’s farmers and homeowners were taxed upon their gross proceeds and the value of their property. And the crusading governor still had not been able to break the hold of the Company over the state senate. The “invisible government,” as Dixon referred to it, could still thwart the will of majorities of the state’s citizens. Dixon knew that if he were to have any chance of completing his bold agenda for reform in Montana, he would have to stand for re-election in November of 1924.¹⁵³ He also seems to have understood

¹⁵¹ Ibid.

¹⁵² *Helena Record-Herald*, 9 January 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 89, Folder 5.

¹⁵³ In another apparent attempt by Republicans to promote the troublesome Dixon out of “harm’s way” in Montana, the governor apparently was seriously considered for the position of Secretary of the Navy in the Coolidge Administration during the late winter of 1924. Dixon quickly dispelled this overture, however,

instinctively that his best opportunity for the passage of any sort of meaningful taxation measures on the mining industry would come in a public referendum. As the year of political battle began in the spring of 1924, then, Governor Dixon knew that he would be embarking once again upon a fight with his old foes the Company and their conservative allies, and that he would be battling both for his own political life and for the passage of a mine taxation initiative. Montanans clearly were in for one of the greatest political contests that their state would ever witness.

saying that his program in Montana was only "half completed" and that he did not wish to "run away" from his responsibilities to the Montana citizenry.

SHOWDOWN IN THE TREASURE STATE: THE GOVERNOR VERSUS THE COMPANY (1924)

Governor Joseph M. Dixon was far from done with politics as the year 1924 dawned. In fact, this pivotal year in Dixon's long and storied political career would witness by far the greatest of his many electoral struggles. For the Company the 1924 campaign would mark both the zenith of its openly combative political style in the state and the greatest electoral battle of its career. In 1924, Dixon would campaign not only for his own reelection but also for passage of the Metals Mine Initiative (I-28) to increase tax rates upon the state's large mining operations. In addition, the governor moved beyond simply calling for needed progressive reforms (e.g., tax equalization) and made the Company's alleged domination of state politics a centerpiece of his reelection bid. Dixon held out the promise that if voters both reelected him *and* passed I-28, the Company could be forced to withdraw from the political arena. The Company, of course, vigorously contested the governor's reelection bid with all of the weapons in its considerable arsenal and also opposed I-28, albeit with somewhat lesser intensity. This chapter will focus primarily upon Governor Dixon's efforts to secure reelection and passage of I-28 along with the Company's and its allies' counter efforts. The roles played in the campaign by the Company-dominated press and by such Dixonite papers as the *Helena Record-Herald* also will be examined, as will the prevailing public discourses adopted by both Dixon supporters and their adversaries throughout the campaign.

Although Governor Dixon would not formally announce his candidacy until July 16, it was widely, and correctly, assumed that he would be campaigning for another term as

governor in 1924. In February, however, Dixon and his cohorts had embarked on their attempt to enact mine tax legislation over the head of the recalcitrant legislature. With the governor taking a leading role, they drafted an initiative that would place a one percent tax on the gross production of all metal mines in the state which extracted at least \$100,000 worth of ore in a year. In April, the Dixonites embarked on the arduous process of collecting the 15,000 signatures from at least twenty-two counties that would be necessary in order to enable the measure to appear on the ballot in November.

Throughout 1924, Dixon and his political collaborators would labor on two parallel tracks, simultaneously advocating the governor's re-election and the enactment of the metals mine initiative, which would come to be known as I-28. Realizing that they would need a strong statewide organization, both to secure the necessary petitions and eventually to pass the initiative, Dixon and his principal cohorts organized a statewide committee, arranged for a canvass of volunteers to secure signatures, and generally speaking, oversaw the whole operation. Despite the fact that he was running for re-election in what promised to be an extraordinarily hard fought race, Dixon himself played a critical role in all of these efforts, evidence of the priority that he placed upon the passage of this popular legislation.¹⁵⁴

Although, in early 1924, Dixon and his Republican and Democratic rivals were not yet officially campaigning for the governorship, an event the previous fall undoubtedly had disturbed some of them, particularly Dixon. That event was the creation, in October, of the Montana Farmer-Labor Party. The new party, which was co-founded by former Butte

¹⁵⁴ Karlin, *Dixon of Montana*, 172.

publisher and national Communist organizer William F. Dunne and by J.A. "Mickey" McGlynn, a former Non-Partisan League organizer, was attempting to tap into the same farmer-labor vein that B.K. Wheeler had drilled in 1920. The party bore the same name as the national party that had been founded by Senator Robert M. La Follette, although La Follette had rejected any tie to the Montana group, which thus isolated and weakened it.¹⁵⁵

Throughout 1924 the new party would attack Dixon relentlessly from the left as "reactionary," or "a tool of the interests," reminding farmers and laborers of his conservative posture and Company support in 1920. Dixon and his supporters were convinced that the new party was not genuine, but was in fact a political tool of the Company's.¹⁵⁶ Certainly the Farmer-Labor Party was helpful to the Company and its conservative allies in their goal of applying constant pressure and criticism to the progressive governor. In addition, the Party, if even moderately successful, also would force Dixon to fight a "two-front war" in which he would have to battle both his many conservative opponents while also protecting his left flank. Throughout the campaign, the Farmer-Labor Party would hammer away at Dixon through both Charles E. "Red Flag" Taylor's northeastern Montana weekly, the *Plentywood Producers' News* and also via the party's gubernatorial nominee, Frank J. Edwards.¹⁵⁷ Oddly, this "radical party" largely refrained from attacking the Democrats in the gubernatorial race, despite the fact that

¹⁵⁵ Ibid., 175.

¹⁵⁶ Ibid., 175-76.

¹⁵⁷ Interestingly, Taylor had been a strong Dixonite in the state legislature during its 1921 and 1923 sessions. He also would support Dixon's 1928 campaign for the U.S. Senate. When looked at from this

their eventual nominee, the Company-supported Judge John E. "Honest John" Erickson, was a good deal more conservative than was Dixon. Of course, this conspicuous omission only furthered the impression that the Farmer-Labor Party was but a tool of the Company. Still, the new Party had its adherents. Taylor's radical brand of politics enjoyed a strong following among the beleaguered farmers of northeastern Montana and Edwards was well-known around the state, having made two previous unsuccessful runs for the governorship and also having served five terms as Helena's mayor.¹⁵⁸ Both would prove to be persistent thorns in Dixon's side throughout the 1924 campaign.

The Company, as was its common practice, hedged its bets by backing a candidate in each major party primary. Their choice to unseat Dixon in the Republican contest was Lee Dennis, a state railroad commissioner and an "affable," cowboy hat-wearing, regular Republican. Their Democratic pick, and seemingly the Company's true "favorite son" in the 1924 gubernatorial race, was Judge Erickson, a state district judge from Kalispell. Erickson, who was of Norwegian descent, was a Democrat of noteworthy regularity who had backed the Party ticket in 1920 from Wheeler on down. Because of the Company's obvious hostility to the Wheeler/NPL ticket in that year, Erickson's steadfastness earned him the reputation of an "independent," who would not bow to Company pressures and also helped to garner the judge the support of Senators Wheeler and Walsh in the 1924 campaign. According to Walsh's biographer, J. Leonard Bates, the senator played an important role in the selection of Erickson as the Democratic nominee. In a September,

vantage point, Taylor's relatively brief, 1924 defection, from the Dixon camp has caused some to wonder if perhaps he had been "rented" by the Company for the duration of that campaign.

¹⁵⁸ Karlin, *Dixon of Montana*, 176.

1923 meeting with Larry Dobell, editor of W.A. Clark's *Butte Miner*, Walsh and the editor had agreed that the Scandinavian judge might make a good candidate. For the two, Erickson's chief attributes apparently included his longtime residence in Kalispell (which was seen as lying outside of the Company's "circle of control"), his Scandinavian origins which it was thought would appeal to his many ethnic brethren in Eastern Montana, his decent speaking abilities, and his "commanding appearance."¹⁵⁹ Shortly thereafter Walsh met with Anaconda's C.F. Kelley, following which he expressed his belief that the "Butte forces" favored Erickson. Bates comments on the strange sight of such progressives as Wheeler and Walsh turning their backs upon their ideological soulmate, Joseph M. Dixon, to support the conservative choice of the Company for governor, writing, "The gubernatorial race revealed most clearly the complexity and hypocrisy of Montana politics...Thus a progressive Republican governor was defeated by Montana conservatives with the help of Walsh and Wheeler."¹⁶⁰ Despite his enthusiastic support from such varied corners, however, Erickson generally was not known for the possession of significant legal abilities nor for having much in the way of political "backbone."¹⁶¹ His one previous foray into a statewide political race had ended poorly, with the judge finishing third in the Democratic primary in his bid for a seat on the state supreme court. This time around promised to be different, however, as Erickson would enjoy the substantial material and moral support of the Company and its allies.

¹⁵⁹ Bates, *Walsh of Montana*, 242.

¹⁶⁰ *Ibid.*

¹⁶¹ *Ibid.*, 178.

Erickson and Dennis would pound away at nearly identical themes throughout their campaigns. Both would center their arguments around the accusation that the Dixon's Administration's profligacy had led directly to the state's currently huge deficits, a longstanding charge of Company's newspaper editors. They then would argue that the governor's "tax schemes" were an unnecessary and counterproductive experiment that would further hurt the state's businesses. What was needed, both Company-backed candidates would argue, was simply more efficiency in the administration of state government, and this both men promised to deliver. Erickson's slogan, in fact, was "Erickson for Economy."¹⁶²

The differing press coverage accorded to Erickson and Dennis versus that granted to Dixon by the "interlocking press" betrays something of the Company's sentiments about the different gubernatorial candidates. These preferences were destined to receive a more than ample airing throughout the state, as the 1924 election signaled the absolute "high water mark" for aggressive politicking by Company newspapers (quite a feat, indeed, in light of their extensive involvement in the "Wars of the Copper Kings" along with the elections of 1912 and 1920). As Michael Malone would write of this uninhibited era of Company journalism, "...Company editors continued the practice of free-swinging attacks on their enemies..."¹⁶³

Erickson's long-awaited campaign announcement came on May 21st. It received widespread coverage in the "interlocking press," with Martin Hutchens' *Missoulian*

¹⁶² Karlin, *Dixon of Montana*, 183.

¹⁶³ Malone, Roeder and Lang, *Tale of Two Centuries*, 367.

"[weaving] together semi-lyrical praise of Erickson with an attack on Dixon."¹⁶⁴

Hutchens' article decried the governor's "reckless extravagance" and "shocking inefficiency" while praising Erickson's reputation in his hometown, commenting that the judge stood "ace high as a citizen, a judge, a friend and neighbor."¹⁶⁵ To commemorate the occasion, the *Independent* ran a lead article and splashed a picture of the "strikingly handsome" judge on its front page. Describing Erickson as "...a prominent figure in public life for many years..." the article stressed the judge's opposition to "the present reckless spending of public funds by the state administration" along with his commitment to the principle of economy in government.¹⁶⁶ Similar rhetoric characterized coverage of the Erickson campaign.

Coverage in the "interlocking press" of Dixon's July 16th campaign announcement could not have been more different. In typical fashion, Dixon had accompanied his announcement with a fact filled, six-page summary of his governorship to date. This "summary" stressed his administration's accomplishments, taking particular care to emphasize the savings in state expenditures that had been accrued on his watch. In the announcement itself, the governor urged the adoption of the mine tax initiative, maintaining that it would increase each the state's general fund and public schools' revenues by approximately \$250,000 annually and that its passage would help to break the stranglehold that "the big metalliferous mining companies" held on the state's

¹⁶⁴ Karlin, *Dixon of Montana*; 179.

¹⁶⁵ Ibid.

¹⁶⁶ "Judge J.E. Erickson Announces His Candidacy For Governor Of Montana," *Helena Independent*, 22 May 1924, 1.

political system.¹⁶⁷ Perhaps not surprisingly, the members of the Company-dominated press refused to print the Dixon announcement, instead merely listing him among the various candidates who filed on July 16. The *Billings Gazette*, however, offered to print the governor's statement, but only as a duly noted "paid political advertisement."

Although certainly frustrated by the lack of publicity for his announcement message, the governor refused to "stoop to paying" to have it run in the "'interlocking press'." He was, however, quite appreciative of those editors who did run his statement.

Representative of these feelings were Dixon's remarks to Charles D. Rowe, editor of *The Western News* in Libby, to whom the governor wrote, "...I am more than appreciative of your kindness in giving publicity to the statement I issued when announcing for Governor."¹⁶⁸ The governor surely concurred with the sentiments of Howard Squires, the editor and publisher of the *Harlowton Times*, who wrote Dixon, saying, "I consider the attitude of the 'company newspapers,' which pretend to be purveyors of all the news, a travesty of journalism. When they ignore as important an item of news as this [Dixon's campaign announcement and accompanying statement] it indicates that their tail is being twisted pretty hard."¹⁶⁹

Although Dixon appears to have underestimated the threat posed by Lee Dennis, he did begin to campaign in earnest in mid-August, a mere two weeks before the primaries. Confessing to premature overconfidence, Dixon realized once he had hit the campaign

¹⁶⁷ Karlin, *Dixon of Montana*, 180.

¹⁶⁸ Joseph Dixon to Charles D. Rowe, 6 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 1.

¹⁶⁹ Howard Squires to Joseph Dixon, 4 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 1.

trail that his opponents already “had the woods on fire in every county.”¹⁷⁰ In his August campaign speeches, the governor emphasized largely the same themes he had laid out in his candidacy announcement. Dixon stressed his administration’s “rigid economy” and the savings that had arisen from it; defended his mine tax initiative against the charge that it would hurt small mine owners and their workers, by showing that only twenty-three of the state’s 389 metals mines that had submitted tax returns for 1923 would be affected by the new tax; and reminded his audiences of the inequity of the state’s system of “dual taxation” that substantially favored the great mining interests over those of the bulk of the state’s citizens and businesses.¹⁷¹

The Company-allied press responded to Dixon’s messages with their time-honored mix of non-coverage of the substance of his charges combined with mockery and attacks upon the governor and his alleged views. On the day after Dixon’s speech at the big creamery picnic at Stevensville, the *Independent* headlined its account of the meeting, “Dixon Springs Falsehoods by Which He Hopes to Re-elect Himself to Job: Juggles Tax Figures In Speech At Creamery Picnic In Stevensville.”¹⁷² The ensuing article continued on in the same mocking fashion. Conflating the governor’s speech and his pre-speech efforts to pin a sheet full of budgetary facts and figures to a large American flag on the stage, Campbell wrote, “With trembling fingers Governor Joseph M. Dixon today pinned the picture of the falsehood with which he hopes to win re-election, to a beautiful linen

¹⁷⁰ Karlin, *Dixon of Montana*, 184.

¹⁷¹ *Ibid.*, 184-85.

¹⁷² *Helena Independent*, 15 August 1924, 1.

flag..."¹⁷³ The *Independent* engaged in a barrage of anti-Dixon material in the days just preceding the primary election. On August 24, the newspaper's front page contained a good deal of political commentary. A cartoon depicted a shiny new car parked in front of the state capitol building while a small man labeled "Tax Payer" looks at the car. The cartoon's caption informs us that the Dixon administration already had spent \$51,900.00 for new automobiles and that the cost of keeping this fleet "up and running" would be another \$50,000.00 "before Dixon retires from office January 1, 1925."¹⁷⁴ Also on the front page, one finds the *Independent*'s "coverage" of the major Dixon rally that had been at Big Timber the preceding day. Under the headline, "Beautiful Anthem Is Sung As Dixon Coin Grabbers Gather at Rally," one finds Will Campbell's version of the supposed "song lyrics" that were sung at the event. The "lyrics" ran, "Oh. Joe Dixon is a Spender./A Spender of renown/He takes the people's money./And scatters it aroun'/But he ain't gonna spend no mo no mo/He ain't gonna spend no mo'./Old spendthrift Joe has got to go. And he ain't gonna spend no mo.' Oh Joe Dixon is a Taxer, He taxes everything..."¹⁷⁵ Making no pretense of political objectivity even in its news reporting, the day's *Independent* also included the front page headlines reading, "Erickson Speaks In Missoula At Big Rally, Again Pledges True Economy" and "Total of 8 Hears Dixon Man Pull Ancient Stuff."¹⁷⁶

¹⁷³ Ibid.

¹⁷⁴ "Looking Over HIS New Cars," *Helena Independent*, 24 August 1924, 1.

¹⁷⁵ "Beautiful Anthem Is Sung As Dixon Coin-Grabbers Gather At Rally," *Helena Independent*, 24 August 1924, 1.

¹⁷⁶ *Helena Independent*, 24 August 1924, 1.

Although the *Record-Herald* still provided support to the Governor, that support seemed somewhat less assertive and consistent in 1924 than it had in the past. Perhaps Dr. Lanstrum was tired of the constant uphill battle or perhaps he was less confident of Dixon's chances for success this time around, but in any event, by the summer and fall of 1924 the Governor's staunchest journalistic ally was generally somewhat more muted in its support of him than it had been previously. Still, the newspaper did manage to deliver some solid blows to the opposition. For example, right before the primaries, the *Record-Herald* issued a headline reading, "From Judge Erickson Comes The News That The Invisible Government Would Save Money In The State Health Department – 'Let The Babies Die' Is The Order From New York – Copper And Power Bosses Not Interested In Montana Children."¹⁷⁷

A controversy over the coverage given Dixon's campaign by the Company press erupted following the governor's speech at a farm celebration at Huntley Project. John E. Edwards' *Billings Gazette*, a member in good standing of the state's Company-dominated press, did not report on the governor's address, which meant that there was no Associated Press (AP) story to send statewide. Joe Scanlan, the *Miles City Star* editor who was once again serving as Dixon's campaign manager, wrote to the Superintendent of the AP, Paul Cowles, in San Francisco to complain that important Montana news was being withheld from the AP wire for political reasons by members of the "interlocking press." In this letter, Scanlan wrote, "When the governor of a state is the guest of honor on such an

¹⁷⁷ *Helena Record-Herald*, 23 August 1924, 1.

occasion it is an item of news of sufficient importance to be carried by the Associated Press.”¹⁷⁸ Cowles responded to E.A. Dye, an AP correspondent in Helena:

The political situation in Montana is again causing trouble *due to the fact that our Montana members are aligned on different sides* (italics added). Some of them are so bitter against the present state administration that *any news we send out concerning Governor Dixon is construed by them as propaganda* (italics added), and they object to the use of Associated Press wires in handling such news. Others feel that The Associated Press is not giving Governor Dixon a fair show. I have always taken the position that whatever Mr. Dixon says and does in his official capacity as Governor is news and legitimate news for The Associated Press to handle...the people of Montana are certainly interested in his official acts as governor.¹⁷⁹

Cowles's reply to Scanlan stressed much the same points as did his letter to correspondent Dye, acknowledging the potential problem of certain Montana newspapers' using the A.P. wire "for political purposes" and stressing that whenever Dixon was acting in his official capacity as governor, this constituted news that merited AP coverage, "whether or not it offends the sensibilities of newspapers in Montana. They do not have to publish this news unless they desire to."¹⁸⁰ This controversy over the misuse of the Associated Press's wires for political purposes by members of the Company-allied press sheds some light on how the involvement of the press in the state's political wars harmed journalistic objectivity and the operation of the state's "free press." It also highlights the Company's fierce usage of the newspapers in its orbit for political purposes in the 1924 campaign season. Additionally, this incident evidences how the

¹⁷⁸ Joseph D. Scanlan to Paul Cowles, 19 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 5.

¹⁷⁹ Paul Cowles to E.A. Dye, 27 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 5.

“outside world,” in this case represented by AP Superintendent Cowles, was disturbed by the ability of the state’s political wars to pervert its journalism. Of course, the Company was deeply implicated in both ventures. One can easily imagine how the state’s public image must have been tarnished by such outside perceptions.

The governor capped off his primary campaign with a speech before a large crowd in Butte, the home of his staunchest foes. His opponent, Dennis, conducted a quiet campaign in which he managed to cover large portions of the state without giving speeches. Instead, he used interviews and advertisements to bring home his core message of fiscal irresponsibility and internal strife within the Dixon administration. Turnout was heavy on August 26th except in agricultural areas where farmers were busy harvesting crops. Erickson emerged victorious in the Democratic primaries, defeating his nearest rival by a vote of 13,914 to 9,268. On the Republican side where the voting had been much heavier, Dixon defeated Dennis by a total of 40,388 to 32,118, a relatively slender margin of roughly 8,000 votes that must have been far from reassuring to the incumbent governor. Analysis of the returns displays the power of the Company’s ability to produce votes for its favored sons. Obviously the low turnout of farmers had hurt Dixon, but it is also interesting to note that the governor fared poorly in nearly all areas that were known as Company strongholds. For instance, he was beaten very badly in Anaconda; Bonner, home of the A.C.M. sawmill, and in Great Falls.¹⁸¹ The exception to this rule was Butte, where the governor lost by only about 200 votes, perhaps owing to his strong speech

¹⁸⁰ Paul Cowles to J.D. Scanlan, 27 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 5.

¹⁸¹ Karlin, *Dixon of Montana*, 188.

there the previous evening. The evidence also indicates that wherever high numbers of Democrats voted in the Republican primary, they voted overwhelmingly for Dennis.¹⁸² The Company press and its allies had used their anti-Dixon propaganda effectively, convincing many that the entire reason for the state's indebtedness was Dixon's maladministration. There is, additionally, evidence that the Company used the recent resurgence of the Ku Klux Klan to its political advantage, effectively convincing people in counties where the Klan was strong that Dennis was "100% Klan."¹⁸³ Finally, it appears that the Company used its old "ace in the hole" and threatened workers at Bonner and elsewhere with the shutdown of its mines and mills in the event of a Dixon primary victory.¹⁸⁴

Immediately following the primaries, the Company press and its journalistic cohorts tended to focus the bulk of their coverage on Judge Erickson's "great victory," apparently in an effort to further build up "the Judge" in the public's mind. When Dixon's victory in the Republican primary was mentioned, its relative narrowness was interpreted as a sign of the Governor's vulnerability. On the day after the primaries, the *Independent* again prominently displayed a front page picture of Erickson under the banner headline, "Democrats Name Erickson for Governor; Dennis Rolls up Big Vote Against Dixon."¹⁸⁵ Under the headline, "Vote for Lee Dennis Divides Republicans and Ends Dixonism," the *Independent* speculated that,

With the big vote piled up in the primaries yesterday for Lee

¹⁸² Ibid.

¹⁸³ Ibid.

¹⁸⁴ Ibid.

¹⁸⁵ *Helena Independent*, 28 August 1924, p. 1.

Dennis, regular republican candidate for governor, against Joseph M. Dixon, incumbent, and the certain nomination of Judge J.E. Erickson of Kalispell as the democratic candidate, everything indicates the end of the political career of Joseph M. Dixon and his machine at the polls in November.¹⁸⁶

While undoubtedly concerned about the relative closeness of Dixon's victory, the *Record-Herald* nonetheless put a brave face on the primary results. Its headline the following day read, "Governor Dixon Triumphs: Dixon Showing In Silver Bow Is A Surprise."¹⁸⁷

In his correspondence with supporters in the days following his primary victory, Dixon consistently struck a few major themes. One was his evident pride at having shown up Frank Kerr, Montana Power's chief executive, who apparently had walked into Dixon's office before the primaries and boasted that "they" were going to beat him by 15,000 votes. He mentioned the fact that he had proved Kerr's assertion to be false in numerous letters to well-wishers. One such missive read, "Notwithstanding the boast of Mr. Kerr, the Manager of the Montana Power Company, that they had the organization and the money and would defeat me with Lee Daniels with 15,000 majority, this afternoon I am 8,000 ahead of Dennis, with 300 rural precincts still to come."¹⁸⁸ Dixon also stressed the fact that the Company's considerable control of the state's newspapers and its ability to spend heavily had made his battle an uphill one, often pointing out that this situation would only be amplified in the general election. His sentiments in a pre-primary letter are similar to ones he would express throughout the campaign: "...The

¹⁸⁶ Ibid.

¹⁸⁷ *Helena Record-Herald*, 27 August 1924.

great handicap is that these great interests own nearly all the daily newspapers and subsidize many of the country weeklies under cover...where I can speak to one group, the newspapers and the state agents of the big companies can talk to dozens.”¹⁸⁹

Although acknowledging that the Company “got away with their propaganda in very many counties of the state,”¹⁹⁰ Dixon still held out the optimistic prediction that they had “fired their ammunition trains too early”¹⁹¹ and thus would not have the resources with which to effectively battle him in the general election. In his private correspondence, Dixon also hammered away at the idea that the Company was employing extraordinary, and often disreputable means, to try to ensure his defeat. Just before the primary, Dixon wrote to a state senator, saying, “I saw a letter to one country newspaper editor offering him \$500 to switch from Dixon to Dennis. They are using it largely through the M.P.C. advertising in exchange for support.”¹⁹² In a letter to a Butte resident, Dixon raised another charge against the Company, saying, “I heard the A.C.M. people gave orders for the men to vote for either Lee Dennis for the republican [sic.] ticket or Erickson on the democratic [sic.] ticket.”¹⁹³

Obviously distressed by all of this, Dixon nonetheless was a veteran soldier of Montana’s political wars and was prepared to carry on the fight. Knowing that he would

¹⁸⁸ Joseph Dixon to Carl Brittain [attorney, Sidney, Montana], 28 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 6.

¹⁸⁹ Joseph Dixon to George M. Townsend [Silesia, Montana], 18 August 1924, Dixon Collection, K. Ross Toole Archives, Box 58, Folder 6.

¹⁹⁰ Joseph Dixon to the Honorable F.B. Connally [Billings], 29 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 7.

¹⁹¹ Ibid

¹⁹² Dixon to State Senator W.F. Harmon [Bozeman], 18 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 4.

be heavily outgunned in all material categories, the governor decided that once again his best hope for victory would be to take his case to the people. Dixon had a basic faith, common to the progressives, in the ability of a well-informed public to make sound public policy decisions and thus viewed his primary function as a candidate as that of an educator to the Montana electorate. As he said in a letter to a Western Montana supporter, "If the people of the state only knew the facts, there would be nothing to it but with the control of most of the newspapers in the hands of the Anaconda and the Power Company, about the only way to tell the story is by word of mouth."¹⁹⁴ In order to maximize his strengths, Dixon began his general election campaign relatively early, on September 16th. He would be on the road almost constantly, usually speaking twice each day, from that date until the end of the campaign in early November.

Dixon began his quest backed by a still-divided Republican Party. Company Republicans such as Senator John Leuthold, Senator John E. Edwards, and Fred L. Gibson had thrown their weight behind Judge Erickson, while other Republican conservatives formed Coolidge-Dawes clubs and failed to lift a finger for Dixon's campaign.¹⁹⁵ Another difficulty for the perennially cash strapped Dixon campaign was its inability to secure funds from the national Party organization. This, in all probability, was due to continued Company influence at the White House.¹⁹⁶ On the Democratic side, Dixon had hoped for an endorsement from Miles Romney, after his defeat in the

¹⁹³ Dixon to William Ellis [Butte], 28 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 6.

¹⁹⁴ Dixon to Professor Maurice D. Pace [Eureka, Montana], 2 September 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 8.

¹⁹⁵ Karlin, *Dixon of Montana*, 179

gubernatorial primary. Romney, the puckish and decidedly anti-Company editor of the Hamilton *Western News*, had largely supported Dixon's efforts as governor, but declined to endorse him following the primaries.¹⁹⁷ Additionally, Romney's fellow liberal Democrat, B.K. Wheeler, remained in the party fold at home in 1924, while conducting his own national campaign for the Vice-Presidency on the La Follette-Wheeler Progressive Party ticket. Had Wheeler and Romney both publicly supported Dixon following the Democratic primary, it would have constituted a major "shot in the arm" for his campaign, particularly as this would have attracted support from a number of moderate to liberal Democrats.

In early September, the governor made a "fighting speech" at the state Republican convention, where Dixonites dominated the agenda. The speech, on which Dixon spent considerable time and energy, emphasized most of the signature themes that Dixon would stress throughout the general election campaign. The governor once again pointed out the savings that his administration's frugality had brought the state, and, through the use of statistics, essentially gave his listeners "talking points" with which to rebut Company/conservative charges on this critical issue. He reviewed the chief accomplishments of his administration and decried the misrepresentation of his record by his political adversaries. In an effort to ward off the charge, which dated back to 1912, that he was an insufficiently loyal Republican, Dixon reiterated his long history as a strong Party member and predicted a Coolidge victory in November.

¹⁹⁶ Ibid., 189-90

¹⁹⁷ Ibid., 189.

Dixon asserted that the only reason for the hostility of the "Montana Twins" toward him was his effort to educate the Montana people regarding the "unjust, inequitable, and vicious dual system of taxation that has been maintained all these years, through political control of legislatures and state governments."¹⁹⁸ The governor further advised the Company that if it were to save the money that it currently spent in Montana on political advertising and lobbying it could pay its "fair share" of state taxes and still come out ahead.¹⁹⁹ Employing a quotation from the Hungarian nationalist Louis Kossuth, Dixon promised his fellow G.O.P. members "nothing...save hard marches, privations, cold and hunger."²⁰⁰ The governor concluded by defining for his audience both the true stakes of his campaign and the identity of his great opponent, saying, "Here in Montana the battle with the non-resident owners of our natural wealth, who have heretofore enjoyed the special privilege of exemption from an equal portion of the burden of government, is on. Under which flag will you fight?"²⁰¹

In this campaign, Dixon finally threw down the gauntlet against the Company, which he clearly viewed as his principal rival. No longer would he be fighting merely for the implementation a progressive agenda, now he would be fighting for nothing less than an end to the Company's domination of the state's politics. Dixon had learned the hard way, that, despite his position as a popular governor with sizable majorities of his own Party in both chambers of the legislature, the Company still could block or eviscerate much of his agenda. This, to Dixon, constituted an unhealthy subterfuge of the popular will by a

¹⁹⁸ Ibid., 191.

¹⁹⁹ Ibid.

²⁰⁰ Ibid.

special interest. He had become convinced of the need to rid the state of the “incubus” of Company control of its politics once and for all and felt that his victory, along with that of I-28, in this election would go a long way toward achieving that goal. Only when “the enemy” had been defeated, Dixon now realized, could his progressive agenda for the state be realized.

The Company-allied press, not at all appreciative of the governor’s call for a “new millennium” in the state, reacted with its predictable ad hominem attacks on Dixon’s speech. The *Missoulian* accused the governor of employing deception and the *Helena Independent* labeled him simply, *A Fraud*.²⁰² Campbell’s *Independent* heaped large doses of ridicule upon the Governor’s convention remarks, contending that Dixon had endorsed all three major presidential candidates. In a front-page editorial, Campbell wrote, “During the course of an address of an hour’s length before the republican state convention yesterday, Governor Joseph M. Dixon disclosed that Doc Lanstrum and himself have three candidates for President – Davis, Coolidge, and La Follette.”²⁰³ This accusation, which appears to have necessitated a considerable amount of twisting of the Governor’s actual words by the *Independent*, was no doubt intended both to make the Governor appear ridiculous and to once more raise the heavily loaded political charge that Dixon was an unloyal Republican. While the *Independent* ignored the bulk of the governor’s actual address, it nonetheless did manage to accuse him of using false budget figures. The *Record-Herald*, reporting on a seemingly different conference than the one attended by

²⁰¹ Ibid.

²⁰² Ibid.

²⁰³ “So The People May Know,” *Helena Independent*, 7 September 1924, 1.

the *Independent*, declared in its headlines, "Harmony Reigns over G.O.P." and "From Empty Treasury To a Credit Balance, Is Four Year Record."²⁰⁴

Although a number of weekly newspapers were supportive of the governor's campaign, only two daily papers, the *Record-Herald* and the *Miles City Star*, granted complete and positive coverage to Dixon and to the metals mine initiative. This "media blackout" placed the lion's share of the load on the governor's relentless speaking tour, as the avenue to winning over voters. For seven weeks, Dixon traveled the state constantly, giving his standard two-hour speech an average of twice daily. The governor apparently saw the fate of I-28 as being deeply entwined with his own. Thus, much of the campaign's meager publications budget was spent on literature to promote the mine taxation initiative.²⁰⁵ For some reason, the campaign's requests of the state and national Party organizations for speakers, literature, and money almost always were ignored.

Over at Judge Erickson's campaign headquarters, the story was quite different. The Erickson campaign itself was extremely well funded and heavily staffed. It enjoyed the support of all the Company newspapers and their journalistic allies, in addition to that of the independent but conservative and staunchly Democratic daily, the *Great Falls Tribune*. Furthermore, owing to the presence of Company lobbyist J. Bruce Kremer as Democratic national committeeman, Erickson's campaign, unlike Dixon's, enjoyed good relations with the national Party organization and thus was well-supplied by it. A large stable of Anaconda and MPC speakers and lobbyists were waiting to be deployed

²⁰⁴ *Helena Record-Herald*, 6 September 1924, 1.

²⁰⁵ Karlin, *Dixon of Montana*, 200.

throughout the state on Erickson's behalf. In addition, the Company, acting similarly to contemporary interest groups and PACs, published its own pro-Erickson, anti-mine metals initiative newsletter, "The Copper Target," which it then paid to have published repeatedly in all but the most vehemently pro-Dixon newspapers in the state.²⁰⁶ The judge also enjoyed the strong support of numerous pro-business groups, including the recently revived Montana Development Association and the Montana Mining Association. Perhaps not surprisingly such individuals as top Company official Dan M. Kelly, and the skilled lawyer for the Clark interests, Sydney Sanner, were closely involved with these groups' activities.²⁰⁷

While the "interlocking press" beat out the message that Judge Erickson was a statesman who would bring order and economy to a state government that the wanton, wasteful Dixon administration had left in shambles, Dixon's faithful weeklies and a pair of daily newspapers tried to prop up the beleaguered governor and his reform agenda. The "interlocking press" also worked hard to convince voters that the mine metals initiative was yet another unnecessary, destructive "Dixon tax scheme." A political cartoon that received prominent airing in the days just preceding the election bore the caption, "Will the Voter Kill the Goose that Lays the Golden Eggs?" One version of this cartoon (there were at least two in circulation) displayed an axe-wielding man who is poised to bring his implement down upon the neck of a white goose that is trying to raise its head of the chopping block. The man is wearing clownish clothes and looks rather

²⁰⁶ Ibid., 197.

²⁰⁷ Ibid., 193.

sinister. He is in blackface, is wearing a black jacket, and has one white hand and another that is black. His axe bears the inscription "Metal Mines Tax." The white goose is labeled "A.C.M." Below the goose a caption reads, "\$1,774,868.24 Taxes Paid In State During 1921-22." Next to it another caption reads, "\$51,000,000 Spent In Montana In 1923."²⁰⁸ The message is painfully clear: passage of the metal mines initiative will lead to the destruction of the state's "golden goose," the Anaconda Company, and to the loss of major tax revenues and spending outlays in Montana.

The Company published a paid political advertisement that also enjoyed wide circulation in the Company-dominated press. Entitled "Mining in the Mountains – Prosperity in the Valleys," the ad argued that the state's economy was so interconnected that the invariable harm done to the mining industry by I-28 would undoubtedly bring depression to the entire state. Further, the Anaconda Company portrayed itself in this ad as a "good corporate citizen" of the state of Montana and as a committed partner for economic growth with all of the state's other industries. The advertisement concluded with the caution that, "A vote *Against* Measure No. 28 is a vote to Help, not to hurt, All Montana."²⁰⁹ Like its 1922 predecessor, this advertisement went out over the signature of "C.F. Kelley, President." Even more than its earlier counterpart, however, this message attempted to portray the mining giant as a neighborly Montana company, as is shown by its self description as "[the] Anaconda Copper Mining Company: a Montana Corporation,

²⁰⁸ "Will the Voter Kill the Goose that Lays the Golden Eggs?," *Helena Independent*, 31 October 1924.

²⁰⁹ "Mining in the Mountains, Prosperity in the Valleys," *Helena Independent*, 30 October 1924.

representing the investments of 40,000 Stockholders, whose average holding is less than 100 shares, many of whom are Montana citizens.”²¹⁰

As always the *Record-Herald*, and its ally the *Miles City Star*, fought back. Although the *Record-Herald* may not have been quite as spunky this time around as it had been in previous electoral battles, the Republican daily still granted positive coverage to the Governor’s campaign speeches, editorialized in favor of Dixon and his reform agenda, and consistently pounded away at its cross-town rival and other members of the ““interlocking press,”” the Company, and anti-Dixonite politicians. The *Record-Herald* also commonly engaged in the practice of publishing editorials favorable to the Governor or to I-28 from the state’s weekly newspapers on its own editorial page. Thus, in the campaign’s final months, the *Record-Herald* published editorials from such weeklies as the *Dawson County Review*, the *Fairview News*, and the *Wolf Point Herald*. In an apparent attempt to solidify support for the governor among the “stand-pat” wing of his Party, traditionally an unreliable supporter of the progressive governor, the *Record-Herald* ran an endorsement of the G.O.P.’s presidential ticket of Calvin Coolidge and Charles G. Dawes, directly above its lead editorial, every day over the final weeks of the general election campaign.

In its editorials Dr. Lanstrum’s newspaper often framed the central issue of the campaign in stark terms, much as the Governor did in his campaign addresses. For Lanstrum and Dixon the key issue of this campaign had become the question of whether “the people” would come to rule the state through elected representatives such as Dixon

²¹⁰ Ibid.

or whether the Company would continue to rule Montana through its various agents. As the *Record-Herald* editorialized, "If the people of Montana want to be done with the invisible government, *the government of the copper and power corporations* [italics added]...now is their chance."²¹¹ The *Record-Herald* asserted that a victory for Dixon and I-28 at the polls would likely persuade a bloodied Company to withdraw from the field of Montana politics. Lanstrum's newspaper focused on a related theme two days later in an editorial entitled, "Who Shall Rule," in which the *Record-Herald* contended that, "An ocean of money has been used in the effort to defeat Governor Dixon. The copper and power corporations have spent from \$100,000 to \$500,000 on a conservative estimate for that purpose."²¹²

Despite the seriousness of the campaign, the *Record-Herald* was not above having a laugh at the Company's expense if a suitable opportunity arose. Such a windfall apparently came to pass, taking the form of the Company's effort to persuade Montana's significant Scandinavian community not to vote for Governor Dixon but instead for their Norse brethren, Judge Erickson. The problem, however, was that the Company's anti-Dixon pamphlet aimed at the state's Scandinavian community was printed in Danish, a language spoken by but a few of the state's Norsepeople, the bulk of whom spoke either Norwegian or Swedish. The *Record-Herald* reported on the Company's difficulties in this matter with apparent glee, its front-page headline reading, "Copper Managers Waste An Effort On Scandinavians."²¹³

²¹¹ "Now Is Their Chance," *Helena Record-Herald*, 1 November 1924, 4.

²¹² "Who Shall Rule," *Helena Record-Herald*, 3 November 1924, 4.

²¹³ *Helena Record-Herald*, 3 November 1924, 1.

A common complaint of the governor and of his supporters during both the primary, and even more acutely, the general election campaign, dealt with the presence in the field of "hordes" of speakers, lobbyists, and "advance men" of all sorts working in support of Dixon's opponents. The governor and his aides firmly believed that these "field workers" were being paid by the Company. The Dixonites simply had nothing with which to counter such a force. Karlin writes of this tactic, saying, "The Montana Twins realized that their extensive use of field men was feasible in so thinly populated a state, and they were perhaps the most effective weapon against Dixon."²¹⁴ A Dixonite from Roundup complained to the governor that the sudden importation of a number of "Scottish miners" to his town shortly before the primary election had been sufficient to sway its outcome there. He wrote to Dixon, saying, "We would have been able to have carried it this time [author's note: i.e., Musselshell County] but just a few days before the election some Scottish miners from Great Falls dropped in here on behalf of Lee Dennis and there are a great many Scotchmen working at the coal mines in Roundup. We did not have time to offset their influence hence you lost the County by about one hundred."²¹⁵ It is difficult to know whether or not these Scottish coal miners from Great Falls were deliberately sent to Roundup in the days just preceding the primary election in a deliberate attempt by the Company to win votes there for Dennis. It seems highly unlikely, however, that there presence there "on behalf of Lee Dennis" was a mere coincidence. Moreover, it fits in with a larger pattern regarding the use of agents (who were often also employees) by the

²¹⁴ Ibid.

²¹⁵ John Oliver [Roundup] to Joseph Dixon, 30 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 7.

Company to sway voters against Dixon. Given all this, it is likely that the "Scotchmen" were deployed by the Company to Roundup to accomplish exactly what they did, namely, winning their ethnic brethren over to the political fold.

By late October, Dixon himself was cataloging the difficulties he faced in trying to campaign against this "Company army" in his correspondence with supporters, writing to one that, "The big interests are hammering us as hard as they can and have hundreds of paid propagandists in the field."²¹⁶ The governor elaborated further (albeit with some exaggeration) on this theme in another letter he penned to an Eastern Montana supporter that day, writing,

I do not know whether you realize the tremendous pressure that is being put on by the opposition. They have placed in the field every man working for the A.C.M.C., the M.P.C. and the company interests, and they have employed every lawyer who can make any kind of speech whatever. These men are going out to make it appear that the ads in the press, that they are spending over \$100,000 for, are all right.²¹⁷

Such accounts are consistent with reports of the widespread use of Montana Power Company field workers to spread the anti-Dixon line in their home districts, both during the primary and general election campaigns. According to Jules Karlin, "In their Thompson Falls power plant, the Power Company furloughed employees and paid both their salaries and expenses while they informed the farmers how Dixon 'blew in' [author's note, i.e., "spent irresponsibly," "wasted"] three million dollars."²¹⁸ The Power Company apparently employed other tactics as well in its bid to derail Dixon, using

²¹⁶ Joseph Dixon to the Honorable C.C. Conser [Plevna], 27 October 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 3.

²¹⁷ Joseph Dixon to W.C. Keas [Ollie, Montana] 27 October 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 3.

employees to lobby stockholders against the governor. One such employee, Steve Hogan, "worked 'night and day'" against Dixon among stockholders.²¹⁹ A Dixon campaign worker, who also happened to be a friend of Hogan's, ran into the MPC employee in Big Sandy, and wrote to Dixon of the encounter, saying,

I met Steve Hogan...on his way to Havre. Being a personal friend of his he was to the point why I should not vote for you. *He had figures that would convince the man who is not in possession of the real facts.* (italics added) He has been out for several days working on the people who bought Montana Power Stock and he is working night and day.²²⁰

In yet another tactic, the Power Company put its statewide network of local offices to use in its efforts to create an anti-Dixon "machine." Karlin writes of this effort, saying,

The operations of Montana Power in Malta and Chinook, two small hi-line county seats, were probably typical. In March, Frank McCarthy of Havre had a three-hour conference with H.A. Johnson, the editor of a Malta weekly and a member of the county's Republican "ring." Frank W. Bird, Montana Power's Butte-based chief engineer, made his appearance in April. After his conferences with ranking members of the local G.O.P., he was asked in small town style what he was doing in Malta. He replied: 'Down lining up the Republican machine.'²²¹

This incident sheds light both on the Company's political practices and also regarding just how great a priority defeating Dixon was for its leaders. To be sending top M.P.C. officials such as Frank W. Bird to politick in little hamlets such as Malta and Chinook, and so early in the campaign season at that, indicates both that the Company took its Montana politics quite seriously indeed and that the defeat of Dixon in 1924 was an

²¹⁸ Karlin, *Dixon of Montana*, 181.

²¹⁹ Ibid.

²²⁰ F.B. Alexander to Joseph Dixon, 16 August 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 58, Folder 4.

²²¹ Karlin, *Dixon of Montana*, 181.

extremely high priority for the Montana Twins. It also would seem to indicate that the Company must have believed the progressive governor to represent a very real and great threat to its interests.

There are also additional reports of the Company using its most basic leverage – its direct control of tens of thousands of jobs in the state – to influence the outcome of both the primary and general elections in 1924. These efforts, naturally, were most intense in the Company strongholds of Butte, Great Falls, and Anaconda. Karlin writes of this strong-arm campaign by the Company to secure the many votes of its workers, “In Butte, the A.C.M. suddenly discharged a hoisting engineer with twelve years of seniority on the pretext that he ‘hoisted the men too rapidly.’ That he was a Democratic friendly to Dixon was assumed to be his real offense.”²²² Of course, the word of such political firings would spread rapidly throughout all of the Company’s workers, presumably having the desired chilling effect. Another Anaconda worker informed Dixon of the presence of Company “stool pigeons” throughout the mines and said that, “if a man opens his trap in favor of you he gets fired, Joe.”²²³ If anything, the situation was even worse in Great Falls, where “pressure from the A.C.M. had forced the loyalists to turn over the direction of the campaign to the ‘Old Guard,’ who in turn renounced Dixon. No one was permitted to speak in his behalf.”²²⁴ Laborers also apparently had been divided and some were quite upset over the Company’s alleged purchase of a labor weekly, *Town Topics*, which had formerly supported Dixon, and over the fact that foremen had ordered smeltermen to vote

²²² Ibid., 194.

²²³ Ibid.

²²⁴ Ibid.

against both the governor and I-28. According to a Dixon supporter in Great Falls, emotions had grown so heated that workers were having fistfights "every night" over the Dixon race.²²⁵

Another tool in the Company's arsenal during the 1924 campaign was its deployment even of traveling salesmen among its ranks of speakers and grassroots lobbyists, especially in the latter part of the campaign. It apparently secured the salesmen's services through the provision of "expense accounts." A Dixon supporter from Great Falls described the practice in a post-election letter to the governor, writing, "...all of the traveling men in the State, whether traveling for outside firms or not, had an election expense account that they could draw upon with the company...a traveling man also admitted this to be a fact."²²⁶

While Governor Dixon was criss-crossing the state trying to rebut the charges that his administration had plunged the state deep into debt and to sell voters on the need for his tax equalization measures, both complex issues, the "interlocking press" remained busy relentlessly hammering home its simple themes. At the heart of their, and Erickson's, critique of Dixon, was the charge that his "wasteful administration" had led to the state's deplorable indebtedness, the proper remedy to which would be "Honest John" Erickson's frugal administration (certainly not Dixon's "reckless," "destructive" tax schemes!). Eventually this was boiled down to the campaign slogan, coined by former governor Sam

²²⁵ Ibid., 194-95.

²²⁶ James Freeman to Joseph Dixon, 6 November 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 4.

Stewart, "Erickson for economy – Dixon for debt."²²⁷ Often it became difficult to distinguish official Erickson campaign material from the "news stories" written about the judge and his opponent. Typical of such journalistic efforts was a *Helena Independent* headline reading, "Wipe Out Debt of State if He Rules Montana: Judge Erickson's Pledge To People[:] Says That If Made Governor He Will Run The State On Cash Basis And Buy Up Present State Debt." As Karlin writes of this phenomenon,

They publicized the pro-Erickson rallies on their front pages, sold "Honest John" and Ericksonisms like patent medicines, provided copious amounts of space for attacks on Initiative 28 and Dixon, concealed or distorted Dixon's speeches, printed editorials embodying the Company line, and furnished an outlet for charges bordering on libel.²²⁸

In its final days, the campaign, already extremely intense, reached a fever pitch. According to Karlin, "Billboards and telegraph posts contained reminders: *Dixon For Debts. Erickson For Economy*."²²⁹ The Company-dominated press raised its decibel levels even higher as it attempted to portray the ruin that Dixon would bring the state versus the sanity and prosperity that an Erickson administration would usher in. Finally, the election was held on November 4. In the end, Governor Dixon came up short, losing by over 14,000 votes to Judge Erickson.²³⁰ Despite his defeat by a substantial margin, however, I-28 passed decisively, by a vote of 87,790-65,742. It appeared that both Dixon and the Company had been wrong to link the fates of the initiative and the governor's re-election so tightly. While apparently "sold" by the Company and its allies on the idea that

²²⁷ Karlin, *Dixon of Montana*, 196.

²²⁸ *Ibid.*, 193.

²²⁹ *Ibid.*, 198.

²³⁰ The final tally was Erickson, 88,801; Dixon, 74,126; Edwards, 10,666.

the administration of state government required the frugality that Erickson promised, the voters also seem to have been persuaded by Dixon and his backers that the state required greater revenues, and that the best source for these would be the state's great mining concerns. The election results also showed a decided geographic split in the I-28 vote: "Company territory" strongly opposed the measure while the eastern two-thirds of the state overwhelmingly supported it.²³¹ The cynical view might be that the state's eastern Montana farmers and ranchers simply decided to shift some of the tax burden from themselves to the miners in the western part of the state.

Governor Dixon's defeat at the polls apparently did not bring with it any softening of Will Campbell's attitudes. Dixon's longtime tormentor basked in his rival's public repudiation. While largely downplaying or ignoring the results of I-28, the *Independent* gloated upon the Governor's defeat. The newspaper's initial headline on the state election read, "Gov. Dixon And His Helena Mouthpiece Repudiated In Poll [:] Lewis And Clark Returns Show Sentiment [:] Erickson And Walsh Win In County Despite Libelous And Scandalous Campaign Of Dixon And The Record Herald." The following day, Campbell published an editorial entitled "The End of Dixonism" in which he continued to celebrate Dixon's political demise and pour salt in the Governor's wounds, as he assessed the Governor's legacy and the reasons for his defeat. Reviving his characterizations of Dixon as an autocrat and a deceiver, Campbell also patted his newspaper on the back for having been "probably the first paper to protest that the Governor of Montana was not on the

²³¹ Karlin, *Dixon of Montana*, 201.

square and was just a plain, ordinary fraud.”²³² Campbell also “...join[ed] the right thinking people of Montana in congratulating themselves on the defeat of Dixonism and all that it implies – dishonesty, extravagance, egotism, and selfishness.”²³³ Although Campbell, as was his wont, probably was more unrestrained than his colleagues in his post-election denunciations of “Dixonism,” his fellow editors in this particular guild undoubtedly felt much of the same elation at the defeat of their longtime foe.

Much as did the Governor, the *Record-Herald* focused upon the “tremendous victory” of the mine metals initiative, while downplaying Dixon’s defeat. The newspaper’s lead headline for the Thursday following the election read, “Metal Mine Tax Carries.”²³⁴ When the *Record-Herald* did address the outcome of the gubernatorial election, it was generally to discuss the tremendous outlays of money that “The Company” had evidently made in order to garner its victory over Dixon. Lanstrum’s newspaper also highlighted Dixon’s evident “satisfaction” with his record of accomplishment as governor and his great triumph with the victory of I-28. Editorially, the *Record-Herald* lauded the Governor’s great service to the state. In a valedictory, the newspaper wrote of Dixon as, “...the first free governor Montana had in 30 years, [he] will retire from office with a proud record.”²³⁵

Notes and telegrams, largely from supporters, poured in to the governor’s office. Many of them echoed the same theme: that Dixon had been terribly outgunned by the Company in the “David and Goliath”-like campaign, but that he was to be credited for

²³² “The End Of Dixonism,” *Helena Independent*, 6 November 1924, 4.

²³³ Ibid.

²³⁴ *Helena Record-Herald*, 6 November 1924, 1.

having waged a good and principled fight against huge odds. His backers also took great pride in the victory of I-28, and advised Dixon to take heart in this result as well. One fairly typical letter to Dixon read, "You should have won, but you had the power of millions against you and unfair tactics. I am delighted to learn however that the principle for which you fought for, (sic.) triumphed."²³⁶ Another supporter's letter read, "Friend Joe – well, our friends, the Coppercats, got away with it. I didn't think the people of Montana were such fools as to swallow all the bunk that was peddled, but the hordes of 'orators' and clouds of poisoned gas evidently stampeded the deer peepul."²³⁷ Clifford Holt, a Great Falls attorney and Dixonite who had just been elected to the legislature, regretted the fact that Dixon's loss meant the return to a Montana Legislature that was almost completely, rather than only partially, controlled by the Company. He wrote to the lame duck governor,

I was elected, even against the Company's work, to the legislature for this county but I feel almost as though I would rather have lost than to spend another term in the legislature *with the Company absolutely in control of the marching.* (italics added) I was there 8 years ago when Stewart was the Governor and *any attempt at legislation was simply a matter of first getting the Company's consent,* (italics added) as you know.²³⁸

Dixon may have taken some satisfaction in the knowledge that it had cost the Company and their allies a small fortune to defeat him. Anaconda alone declared

²³⁵ "Mines Tax Makes Gains," *Helena Record-Herald*, 8 November 1924, 1.

²³⁶ W.R. Allen [of the Boston-Montana Mining Co.] to Joseph Dixon, 7 November 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 5.

²³⁷ F.W Eggleston to Joseph Dixon, 6 November 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 4.

²³⁸ Clifford F. Holt to Joseph Dixon, 7 November 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 60, Folder 5.

expenditures of over \$30,000 on the general election campaign, but this figure undoubtedly was not close to a full accounting of its total costs.²³⁹ The Montana Power Company did not declare its expenditure on the race, and neither did the Montana Development Association. But the Montana Mining Association made a sizable donation of \$24,450 to the Party. Owing to its strong presence in the Mining Association, it is likely that Anaconda's share of the Association's contribution was a substantial one. Individually, the Company displayed its loyalties as well. Anaconda's two top-ranking executives, C.E.O. John D. Ryan and President Cornelius F. Kelley, each contributed \$5,000, in "soft money" donations to the state Democratic Party. In addition, such Company "friends" as Will Campbell and Frank Conley each gave substantial sums to the state Party, with Campbell donating \$1,000, and Conley and an apparent associate of his named McTague, \$2,500. The Company's fellow business conservative, W.A. Clark, Jr., topped them all, however, forking over \$10,000 to Dixon's opposition. The vast preference of the Company and its allies for Erickson and the Democrats over Dixon and the G.O.P. in 1924 is reflected in the fact that while the state G.O.P. had only \$24, 202.31 to spend in the general election campaign, the Democratic State Central Committee could claim expenditures of \$58,334.53 for that period.

The pro-Dixon *Record-Herald* clearly relished reporting the story of the Company's massive campaign expenditures in its efforts to derail the governor. The headlines for one such article read, "A.C.M. Spent \$30,000 But Fails To List Employes (sic.) Expense." The *Record-Herald* noted that Anaconda had primarily reported its expenditures for

²³⁹ Anaconda declared \$14,929.46 in "expenditures" and \$15,986.35 in "liabilities" from the campaign.

The pro-Dixon *Record-Herald* clearly relished reporting the story of the Company's massive campaign expenditures in its efforts to derail the governor. The headlines for one such article read, "A.C.M. Spent \$30,000 But Fails To List Employes (sic.) Expense." The *Record-Herald* noted that Anaconda had primarily reported its expenditures for newspaper advertising (e.g., \$6,587.69 to its own Standard Publishing Company for the "printing, inserting, address[ing], and mail[ing]"²⁴⁰ of the "Copper Target") and chided the Company for failing to report the "in-kind" contributions of its workers, saying, "The figures do not include the expense accounts of the vast array of hired workers of the company who devoted much time and presumably spent considerable money in furthering the efforts of the company to bring about the defeat of Governor Joseph M. Dixon."²⁴¹ The *Record-Herald* interpreted all of the Company's campaign expenditure figures to mean one thing, however, "That it cost the 'big interests' of Montana at least \$100,000 to successfully accomplish the defeat of Joseph M. Dixon for reelection as Governor, and possibly much more is revealed in the figures of the Democratic state central committee, backed by the copper and power interests of the state."²⁴² Dr. Lanstrum's newspaper went on to point out further major omissions in the Company's and their allies' campaign financing reports, noting that,

The Montana Mining Association admits the expenditure of 24,450
and from its figures there are apparently many items of expense

²⁴⁰ *Helena Record Herald*, 26 November 1924, Dixon Collection, K. Ross Toole Archives, University of Montana Library, Box 90, Folder 8.

²⁴¹ *Helena Record-Herald*, 26 November 1924, K. Ross Toole Archives, University of Montana Library, Box 90, Folder 8.

²⁴² *Ibid.*

omitted...No report appears from the Montana Taxpayers Association who printed and circulated bulletins incorrectly quoting figures on the condition of the State's finances in an effort to mislead the voters... The report of the ACM company is incomplete because it fails to include the expenses of its regularly employed lawyers and other items that properly should be charged to the political activities of the company...No report appears from the MPC, though it is well-known that this company turned loose in the field hundreds of employees, most of whom must have spent considerable sums in expenses and otherwise...The Montana Development Association, supported largely by the big mining and power companies, presumably spent no money directly in the campaign...Neither has the Farmer-Labor party, which took an active interest in the campaign against Governor Dixon and which was reported to have drawn its fundamental support from the 'interests,' filed any report on either receipts or expenditures.²⁴³

While certainly much information was missing from the Company's (along with their allies') campaign expenditures reports, it is nonetheless evident that in 1924, the defeat of Joseph Dixon and "Dixonism" in Montana were of fundamental importance to the Company and its allies. What is also apparent is the willingness of the Company and their allies to spend substantial sums to achieve this electoral goal.

Perhaps not surprisingly, the *Independent* was not prepared to allow the *Record-Herald's* campaign finance reports to pass without a counterrattack. Interestingly, the *Independent* does not appear to have directly challenged its rival's claims about the Company's campaign expenditures. However, in what turned out to be the "last shots" of the 1924 campaign, Campbell's newspaper dropped one final bombshell on the Governor, attacking Dixon and the *Record-Herald* for allegedly having deliberately deceived the people regarding the amount and source of the Governor's own campaign

²⁴³ Ibid.

funding. The *Independent* charged its evening rival with having "...omitted the largest contributors to the fund used in a desperate effort to re-elect Joseph M. Dixon governor of Montana...Mr. and Mrs. Taxpayer. They contributed more than \$100,000 to the funds available to the governor to re-elect himself."²⁴⁴ The charge that Governor Dixon defrauded the state government of \$100,000 and used the money for his re-election campaign appears to have been yet another of Campbell's inventions.

Although undoubtedly disappointed by his own loss, Dixon could not have been completely shocked by it, given the overwhelming onslaught of Company money and manpower in the race. He took great solace in the surprising victory of I-28. If the mother had died in childbirth, at least a beautiful, healthy baby had been born from her labors. On November 6th, the governor issued a statement in which he celebrated the decisive victory of "the cause for which I battled with all my strength." Dixon could take a good measure of pride in the fact that the cause to which he had principally dedicated his administration, an end to the unequal taxation of the state's great mining companies, had finally been won. This seasoned political professional also must have relished the fact that the great victory of I-28 was gained through the use of his own strategy of "end-running" the legislature by submitting the proposal to a popular vote. Although the Company and its allies in the state had decried the mine metals initiative, claiming that it would be so adverse to their interests that it could very well drive them from the state, in fact "it [author's note i.e., Anaconda] reported a net profit for 1925, after taxes, of

²⁴⁴ "'Twas Mr. and Mrs. Taxpayer Who Put Up \$100,000 for Dixon Battle," *Helena Independent*, 28 November 1924, 1.

\$17,540,532, almost three times its net for 1924. Far from curtailing operations and reducing expenditures, its underground development in Butte in 1925 was 34.19 miles, an increase of 36 per cent over 1924, and new mechanical and electrical equipment was installed there at a cost of \$416, 297.”²⁴⁵ The initiative would not produce the \$500,000 annually in state revenues that some of its proponents had prophesied, but, as Joseph Kinsey Howard reports, “...from 1925 on it did bring in \$300,000 to \$400,000 annually (in 1942, \$382,502), whereas in 1922, a bad year, “net proceeds” and license taxes together had only cost the Company \$24,527.”²⁴⁶ Clearly, the passage of the metals mine initiative would have major significance for the state’s revenue stream for years to come. Moreover, the continued annual payment of this tax by the Company and the state’s other large mining concerns, served as a continual reminder to Montanans that the Company could be brought to heel and forced to behave as a responsible corporate citizen through the effective channeling of democratic forces.

In assessing the governor’s legacy, it is apparent that although he had not been able to accomplish his entire agenda, Dixon had advanced much of it. He had secured passage of a greatly increased tax on the large mining companies, established a tax commission, a graduated inheritance levy, and taxes on oil and coal extraction. Moreover, he had gone farther than simply proving that a Montana governor could be independent of Company control; Dixon had demonstrated that a Montana politician could directly challenge Company hegemony in the state, attract a number of followers to his side, and win a good

²⁴⁵ Howard, *Montana: High, Wide, and Handsome*, 248.

²⁴⁶ *Ibid.*, 250.

many battles over Company opposition in the process. Although Dixon's ultimate defeat in the 1924 election seems to prove the old adage that "you can't beat the Company" in Montana politics, Governor Dixon's successful passage of much of his reform agenda over intense Company opposition, showed that it was indeed possible to challenge the Company on its home turf and prevail. Through his persistence and his political skill, Dixon had proven highly successful both at focusing the political discourse in the state and at developing a potent bipartisan coalition of progressives who ultimately would enact many of his proposals into law.

A 'KINDER, GENTLER' COMPANY (1925-59)?

This chapter will deal with the "post-Dixon" era in Montana politics, examining the 1925-1959 period, an era in which the progressive challenge to Company hegemony in state politics was squashed, only to become resurgent again in the post-World War Two (WWII) era. It also will focus upon the major changes in Company attitudes and management practices that occurred in the late 1920s and 1930s. Fundamental shifts in such areas as the Company's handling of its newspapers, its methods and strategies of dealing with its labor force, its techniques of political manipulation, and even the degree of closeness between the Anaconda and Montana Power Companies themselves, all mark the start of a new era for the Company. The 1928 elections will be examined, in particular

the gubernatorial bid of Wellington D. Rankin, and the U.S. Senate race between Joseph Dixon and Senator Burton K. Wheeler. Rankin's run for governor against the Company's favorite, Governor John Erickson, is a compelling subject. The campaign stands as the last in a string of progressive challenges to Company control of that vital state office and displayed the Company's continued willingness to employ the hard-hitting use of its newspapers for its political purposes.

The Company's major shifts in the 1929-35 period will be studied, as will its role in the political battles between Senator Wheeler and his "ultraliberal" intraparty opponents in the 1937-46 period. In other electoral battles, the Company's role in opposing liberal icons James A. Murray, Mike Mansfield, and Lee Metcalf in the 1940s and 1950s will be examined, with particular attention to the Company's use of "red scare tactics" in its early Cold War era efforts to defeat these politicians. The Company's responses to the state's revived unionism and liberalism of the post-WWII era will also be discussed. Particular focus will be placed upon the Company's longstanding efforts (which actually date from 1911-59) to defeat legislation to increase the state workers' compensation program's benefits, along with its post-WWII stand against expanding the system's coverage to include silicotics. The chapter concludes in 1958-1959, years that marked the sale of the Company's Montana newspapers, the Montana Power Company's splitting off of its legal and lobbying offices from those of the Anaconda Company's, and the passage of a new workers' compensation act, the Occupational Diseases Act, by the state legislature. Taken alone each of these events would have signaled major change for the

Company. Together, they marked the “end of an era” for both “the Company” and the state of Montana.

With Joseph Dixon finally out of the way, and the innocuous “Honest John” Erickson safely installed as governor, the Company could sit back and enjoy the most conservative political climate the state had witnessed in some years. Such liberal icons as Senators Walsh and Wheeler were off in Washington, D.C., and in any event both seemingly had desisted in directly challenging the Company on its Montana turf. The 1925 and 1927 legislative sessions were dull affairs in which nothing disturbed the Company. Michael Malone has written that the Dixon governorship and the passage of I-28 constituted the high watermark of the state’s progressive insurgency; the tide quickly shifted following Dixon’s 1924 defeat. According to Malone, “Dixon’s defeat marked the end of a political era in Montana. He was the most powerful of the Montana progressives and his defeat at the hands of the Company signaled the end of the age of reform.”²⁴⁷ Still, despite its political victories, the memory of its recent brush with “Dixonism” seemed to gnaw at the Company. Speaking before the Montana Bar Association in July of 1925, Anaconda Co. President Cornelius F. “Con” Kelley appeared to have the Dixonite challenge, and progressivism generally, in mind when he cautioned that,

To the most superficial student of comparative jurisprudence two striking facts are at once apparent with reference to the trend of legislation in the United States. The first is its volume and the second is *its departure from certain fundamental ideas that were accepted as axiomatic until the most recent period in*

²⁴⁷ Malone, Roeder, and Lang, *History of Two Centuries*, 288.

our history as a government (italics added)....

Legislation cannot reconcile the differences in the hearts of men and should not attempt to do so.²⁴⁸

In this speech, Kelley went on to condemn the legislation passed under Dixon's administration. Kelley complained to the Bar that, "a large volume of it consists of useless, purposeless and ineffective attempts to control, regulate, and circumscribe with bewildering complexities and never ending penalties the ordinary conduct of a rational people in their social business and civic relationships."²⁴⁹ It is quite possible that Kelley had the reformist ex-governor and his followers exactly in mind when he went on to caution that "What is right from a legislative standpoint and what may be right from a moral standpoint are not essentially the same thing....My plea is that the road of legislation that seeks to compel the reformation of the world overnight is marked by the ruins of coercively established religion."²⁵⁰ Certainly the Company did not want to see any more reformist politicians who were "trying to remake the world overnight" gain power in Montana. The Company's treatment of those who would attempt to don the Dixonian mantle of anti-Company reformer would demonstrate its determination to prohibit a repeat of the 1921-25 era in state politics. This determination was never more in evidence than during the 1928 gubernatorial campaign.

In 1928, shedding his temporary, anti-Dixon alliance with the Company, Wellington Rankin emerged as an aggressive anti-Company reformer in his bid for the governorship.

²⁴⁸ Thomas Charles Satherwaite, *Cornelius Francis Kelley: The Rise of an Industrial Statesman*, pp. 109-10, Unpublished Masters Thesis, 1971.

²⁴⁹ *Ibid.*, 110.

Nominated by the Republicans over Dixon's choice for the governorship, state senator W.J. Paul, Rankin reverted to his earlier anti-Company progressivism in a campaign that would turn quite bitter before all the ballots had been counted. In a complete about-face from his stance as Attorney General during Dixon's governorship, Rankin, now serving as federal District Attorney for Montana, criticized the Erickson administration's Board of Equalization and Highway Commission for lowering taxes upon the state's major railroads. Adopting the old Dixonite cry, Rankin emphasized that by granting big corporations such tax breaks, the average taxpayer was forced to pay more in taxes.²⁵¹ The Company again was solidly in the camp of John Erickson, who still evidently enjoyed its good graces despite his failure to cut government expenditures.²⁵² The Company's Montana newspaper chain, which by 1928 included Dixon's former staunch supporter, the *Helena Record-Herald*, focused their approbation upon Governor Erickson, and as the campaign wore on and became increasingly heated, their commensurate scorn and disapproval was visited upon Rankin.

Wellington Rankin revived the old Wheeler and Dixon promise to free Montana from the political control of the Company. Rankin employed in his campaign the widespread belief that the state's "invisible government" operated from the Company's headquarters on the Sixth floor of the Hennessey Building in Butte. Implying that Governor Erickson

²⁵⁰ Ibid., 111.

²⁵¹ Volney Steele, *Wellington Rankin: His Family, Life, and Times*, Bridger Creek Historical Press, (Bozeman, MT., 2002) p. 112.

²⁵² Dixon took some satisfaction in that, despite his promises to the contrary, Governor Erickson's government was \$537,000 deeper in debt after nine months of "Ericksonian economy." This figure no doubt would have been far greater but for Dixon's passage of tax reform measures such as the inheritance tax, which netted roughly \$900,000 alone from W.A. Clark's estate, and nearly \$400,000 from the mine

and other top state officials “received their marching orders” from Company executives via a “private line” that connected the Hennesey Building’s Sixth floor to the state capitol, Rankin vowed in speeches to have the line removed if elected. In a rather desperate attempt to prove the existence of such overt control of Erickson’s government by the Company, in September Rankin contended that two “expensive” calls from the state capitol to Swan Lake, home of a number of the Company’s highest executives (including Cornelius Kelley), constituted evidence of the existence of such a relationship.²⁵³ As would be expected, the Company struck back hard with its chief weapon for the manipulation of public opinion, its newspapers. The *Anaconda Standard* hammered its erstwhile ally with an editorial entitled, “Rankin At His Rankest.” The *Standard* continued its vicious attacks on Rankin, later memorably characterizing the Oxford and Harvard-educated attorney as having, “...all of the dignity of a baboon, all the self-restraint and poise of a tomcat, all the calm deliberation and judicial decision of a jackass, all the finer emotions and sentiments of a yellow dog, all the nobility and character of a snake.”²⁵⁴

Rankin undoubtedly discovered, as had his anti-Company predecessors Wheeler and Dixon, that contesting the Company and its allies in a statewide election was a very steep uphill battle. As had they, Rankin found himself heavily outcalibered in the newspaper war. With the sale of the *Record-Herald*, the number of independent dailies in the state had dropped to two. As one of these, the *Great Falls Tribune* was staunchly Democratic

metals initiative. By early 1928, Erickson still could claim only \$35,000 in net savings to the state’s treasury during his tenure in office. For more on this subject, see Karlin, 210, 232.

²⁵³ Steele, *Wellington Rankin*, 112.

and quite conservative, Rankin expect little support from that corner. This left the *Miles City Star* as the only Montana daily that would offer consistent support to Rankin's gubernatorial campaign. Of course there were scattered weeklies that backed the embattled candidate, including Rankin's own *Havre Promoter*. But the total circulation of these combined with that of the Miles City Star amounted to but a small fraction of that of the Company-owned newspapers.

In November, Rankin was defeated overwhelmingly by Erickson. The final margin was a whopping 33,838 votes. What had gone wrong for the highly ambitious, extremely bright young candidate? Despite the fact of a Republican sweep nationally and a huge plurality for Herbert Hoover in the state, Rankin had been beaten badly. Firstly, as has been noted, Rankin faced long odds in running against the Company, owing to its preponderance of material resources and long-established network of allies. Secondly, Rankin's attacks upon Dixon during his administration had not been forgotten by the many faithful Dixonites in the Party. It is likely that many of these did little to help Rankin during this campaign, instead focusing their energies on Dixon's rematch with Burton Wheeler in a campaign for the U.S. Senate (interestingly, Dixon did far better at the polls than did his junior colleague, still losing, but by more than 20,000 fewer votes than did Rankin). In addition, many liberals, farmers and workers, remembering Rankin's earlier collaboration with the Company against Dixon, may have harbored suspicions about his sincerity as an anti-Company reformer. This likely dampened their support for him. Further, Governor Erickson seems to have been a relatively popular figure,

²⁵⁴ Ibid., 113.

particularly in 1928 as the state enjoyed a brief period of economic prosperity. The governor also received a boost from the solid support of Senators Walsh and Wheeler, both of whom enjoyed strong liberal followings in the state, as both once again “remained regular” (i.e., they stayed completely loyal to their Party) at home.

Dixon’s senate campaign of 1928 bore none of the hallmarks of his epic 1924 contest for the governorship, in which he and his progressive allies and the Company and their conservative friends had waged political armageddon. Although Dixon had flirted with the idea of another reformist crusade against the Company, he eventually decided to run for the senate instead. An intriguing sidebar to Dixon’s decision-making on this issue concerns W.A. Clark, Jr., who had been a vocal critic of Dixon’s progressive governorship. Interestingly, in the wake of his father’s death, W.A. Clark, Jr. had recently made a very strange and dramatic political shift. Apparently enraged at the Company over a matter that remains elusive today, Clark, Jr. had gone from a pro-Company conservative to an angry anti-Company reformer who called for an end to “Company domination” of the state. Although his shift almost certainly had far more to do with a personal grudge against the Company than with any genuine shift in Clark Junior’s political philosophy, Clark’s inheritance of a controlling interest in the *Butte Miner* made him a potentially threatening enemy for the Company. In early 1928, the prodigal Clark made Dixon an offer to amply fund another gubernatorial bid and also to back it with the *Butte Miner*, a major Montana daily,²⁵⁵ Although tempted, the former governor seemed to

²⁵⁵ Clark, Jr.’s political rebellion turned out to be short-lived, however. It was quelled in July when Company officials were able to persuade other members of the Clark family to wrest control of the *Miner*

sense that he likely would not prevail in another gubernatorial contest with the industrial behemoth. He understood the premium placed by the Company on its control of the governorship, and also knew instinctively that his presence on the gubernatorial ballot would result inevitably in another massive contest with the Company.²⁵⁶ Perhaps also, at the age of sixty-one Dixon simply did not have the stomach for such a contest. In any event, he decided to attempt to regain a seat in the U.S. Senate. While sure to defend his record as governor on the campaign trail, Dixon ran a very conservative, cautious campaign in 1928. He spent considerable pains attempting to repair breaches with his party's stand-pat wing. In that effort, Dixon emphasized his strong support for the Party's Presidential nominee, Herbert Hoover, his support for high tariffs (this was a reversal of his earlier free trade position), and his credentials as a "regular Republican." Sensing that Hoover would carry both Montana and the nation by wide margins in November, Dixon stressed that he would be far more able to effectively work with the new President than would Wheeler, a Democrat. The canny Dixon also attempted to link Wheeler in the public's mind with Al Smith, the "Tammany Politician" who had been nominated for the Presidency by Wheeler's party. Dixon employed this strategy particularly among the farmers of Eastern Montana, many of whom viewed the "wet," Catholic, New Yorker Smith with great suspicion. Notably, Dixon also downplayed his past differences with the Company and refrained from criticizing it during the campaign. The disciplined Dixon

away from Clark, Jr. The Company subsequently purchased the daily, with predictable results for its news and editorial slants.

²⁵⁶ Dixon had been informed by his former aide "Jere" Locke, who now was working in New York City, that the Company would spend a million dollars in each the primary and the general election to defeat him

clearly was more interested in regaining a senate seat in 1928 than he was in burnishing his reputation as a crusader or progressive.

The Company appears to have stayed largely neutral in this second Dixon-Wheeler matchup, which must have paled in comparison to the gubernatorial race as a priority for them. If Dixon's decision not to seek the governorship again, coupled with his moderated political stance improved his relations with the Company, then by the same token the Company no longer perceived Wheeler as the radical "Bolshevik Burt" of 1920. Although Karlin cites evidence of a New York-Montana split in the Company over Wheeler, with the Company's Montana officials opposing Wheeler while its New York hierarchy largely supported him in this campaign, the fact is that neither Wheeler nor Dixon was anathema to the Company in this election.²⁵⁷ This is not to say, however, that these independent progressives were the Company's preferred alternatives. Per usual, the Company backed conservative candidates in both primaries; in these, Dixon defeated rancher and state senator, Charles Williams, by roughly 12,000 votes, while Wheeler displayed his strength in a 27,000 vote victory over former governor Samuel V. Stewart. In the general election campaign, Dixon won the support of many of his old allies from 1924, including the *Miles City Star*, along with those Company controlled newspapers who could stomach him. This included the *Helena Record-Herald*, which couched its

for governor. Locke also told Dixon that in his view Dixon could not win either election. See Karlin, *Dixon of Montana*, 215.

²⁵⁷ Ibid. According to Karlin, while Wheeler apparently remained anathema to Dan Kelly and other top Anaconda officials in Montana, he had developed close relationships with James R. Hobbins, a New York executive of Anaconda, and also with Frank Kerr, who ran the Montana Power Company. Karlin contends that Kerr's backing of Wheeler was based in part upon Wheeler's senate support of a major hydroelectric dam on the Flathead Indian reservation, which eventually became known as "Kerr Dam."

support for Dixon in terms of an endorsement of Hoover, saying that Dixon could work effectively with the likely President. Wheeler, who again was lending his enthusiastic support to John Erickson's campaign for governor,²⁵⁸ could rely on the support of many regular Democrats, a number of the Company's Democratic dailies, and his strong following among workers and farmers. The first term senator also drew heavily upon his legacy as an anti-corruption fighter who had rid Washington of "the Daugherty gang" in the Harding Administration.

In the end, Wheeler's support was simply too strong for Dixon to overcome, and Wheeler defeated the former governor by slightly more than 12,000 votes. Dixon was particularly disappointed in his showing among the supposedly Republican farmers of Eastern Montana, large numbers of whom defected to Wheeler. Undoubtedly Wheeler had been aided with this demographic by the support of the highly respected progressive Republican senators Robert M. "Young Bob" La Follette Jr. and George W. Norris, both of whom came to the state to campaign for him. For Dixon, this election marked the close of a career in electoral politics that dated back to the 1890s. Still anxious for a role in public life, however, he would go on to serve as Assistant Secretary of the Interior in the Hoover Administration before his death in 1934.

²⁵⁸ Interestingly, Company editors, playing on Wheeler's reputation as a "fighting liberal" who was independent of Company control, would run Wheeler's pro-Erickson statements on their front pages. Although not above using Wheeler's "liberalism" to their own political advantage, the Company certainly did not subscribe to many of Wheeler's more "advanced" views regarding the regulation of corporations, government intervention in the economy, and other matters.

The 1930s marked a time of transition for the Company. Beginning in 1929, Anaconda was battered by the Great Depression and the subsequent bottoming out of the world market for copper. Already deeply indebted from its global expansion in the 1920s, the Anaconda Co. was “flattened” by the Depression, which drove worldwide copper prices from eighteen cents per pound in 1929 to 5 cents per pound in 1933. Anaconda stock plummeted from a high of 175 on the New York Stock Exchange in 1929 to a low of three in 1932. The company’s Montana operations suffered commensurately; Butte’s copper production by 1933 was but a tenth that of 1929.²⁵⁹ Decreased production and job layoffs were the rule throughout the company’s Montana facilities. Such “Company communities” as Butte, Anaconda, Great Falls, and East Helena were among Montana’s most devastated by the Great Depression.

In 1933, Anaconda also experienced the death of its longtime Chief Executive Officer and Chairman of the Board, John D. Ryan (in addition, Ryan had served as the Montana Power Company’s founder and first President), who had guided the company for twenty years. He was succeeded by Cornelius F. Kelley, who had long served as Ryan’s second in command and alter ego. The year 1933 also would witness the beginning of the Presidency of Franklin D. Roosevelt and the implementation of his New Deal. Although Roosevelt represented a new activism and liberalism in the White House, the Company had strong ties to the Roosevelt administration through J. Bruce Kremer, the longtime Company lobbyist and Democratic National Committeeman from Montana. Kremer was instrumental in securing the appointment of his Connecticut friend Homer Cummings as

²⁵⁹ Malone, Roeder, and Lang, *History of Two Centuries*, 265.

Attorney General following the death of Senator Walsh, who had been Roosevelt's first choice for the post. It may have been in part through Kremer's White House connections that Cornelius Kelley, was permitted to play a major role in writing the federal National Industrial Recovery Act (NIRA) code that would regulate the American copper industry.²⁶⁰

New Deal legislation also granted new protections to industrial unions, guaranteeing them the right to strike and to engage in collective bargaining with employers. Section 7a of NIRA, along with the introduction in 1934 of the Wagner-Connery Bill in Congress (which "provided for union recognition, elections of union representation, and a process for regulating labor disputes")²⁶¹ breathed life back into the union movement in Montana, and had significant impacts on Anaconda, which had not been forced to deal with a unionized workforce since 1918. Seizing upon their opportunity, Anaconda workers throughout the state staged a massive strike beginning in May of 1934.²⁶² With Governor Cooney promising not to send troops to break up the strike and the federal government stepping in on behalf of unionized workers, the Company did not resort to its old violent union-busting tactics. After a four-and-a-half month strike, Anaconda's workers went

²⁶⁰ The 1933 National Industrial Recovery Act (NIRA) represented an effort on the part of the Roosevelt Administration to bring order and stability to the depression-wracked industrial sector. A massive bureaucratic undertaking, this legislation required industries to develop "codes" of conduct that were designed to eliminate "excessive competition" and bring about improved treatment of workers. One criticism of these codes was that they gave an unfair advantage to the large corporations in each industrial sector (e.g., Anaconda in the copper industry). One easily can see the benefits to large corporations at this time of eliminating "excessive competition" and providing industrywide stability. The Supreme Court, however, viewing NIRA in a different light, struck it down as unconstitutional in 1935.

²⁶¹ Janet L. Finn, *Tracing the Veins: Of Copper, Culture, and Community from Butte to Chuquicamata* (Berkeley, University of California Press, 1998), 37-8.

²⁶² Anaconda's workers were certainly not alone in their labor agitation of 1934. Throughout the nation there was "labor unrest and a wave of strikes" at this time. See Finn, *Tracing the Veins*, 38.

back to their jobs. Although they did not achieve all of their goals, they had gained a union shop contract from the company and within a few years would win an end to the Kelley-negotiated sliding scale that for a generation had tied wages to the price of copper.²⁶³

There is evidence, too, of a shifting Company attitude on labor matters at this time. C.F. Kelley questioned the validity of the strike vote, owing to the possible inclusion in the vote of many non-employees of the Company and was endeavoring to secure "some conservative leadership" of the company's unions. Still, the fact remains that he was willing to work through the mediation structures provided for under Section 7a and did not attempt to resort to the old bare-knuckle tactics that the Company had employed against its unions in the 1910s.²⁶⁴ (The Company, however, certainly had not completely shed its old ways; "Company gunmen" were employed during this strike, as they had been in the 1910s, to protect Company property and undoubtedly also to intimidate union members).²⁶⁵ Other evidence indicates a more tolerant attitude toward company unionism as well. Although the Company continued to keep detailed records on each employee's union participation, the use of the blacklist was abandoned, at least openly. In addition new "restraint and cooperation" was urged in dealing with workers. In late 1934, New York executive J.R. Hobbins instructed the Butte office in charge of utility collections to desist from the practice of payroll deductions at the Anaconda smelter, as this practice

²⁶³ Laurie Mercier, *Anaconda: Labor, Community, and Culture in Montana's Smelter City* (Urbana, IL, University of Illinois Press, 2001), 55.

²⁶⁴ C.F. Kelley to Dan M. Kelly, 14 July 1934, Montana Historical Society Archives, Anaconda Company Collection, Box 202, Folder 6.

²⁶⁵ Finn, *Tracing the Veins*, 39-40.

was much-despised by the workers and tended to produce much “ire and antagonism” toward the company.²⁶⁶ To make this shift in attitude official, in 1936 Anaconda issued a series of memos to all supervisory staff, urging “tolerance for the opinions of others, self-control” and “discipline without injustice.”²⁶⁷ Anaconda’s shift in its stance toward its workers was not its only major adjustment during the late 1920s and early to mid-1930s; the company also recalibrated the way in which it deployed its Montana newspapers and changed its political methods. While the company’s ultimate goals remained essentially unchanged, Anaconda proved willing to shift its methods with the changing times, ushering in the era of an at least outwardly “kinder, gentler” Anaconda.

By 1929 the Company had gained outright ownership of eight Montana dailies, controlling 55-60% of the newspaper audience in the state, and covering roughly two-thirds of its territory. At this time, it also became apparent that the Company’s newspapers had changed dramatically. The “Company papers” still ran far too many identical or nearly identical news items and editorials to be explained by “mere coincidence.” (Regarding this remarkable phenomenon, historian Richard Ruetten commented, “Perhaps each editor instinctively knew what *not* to say...Still...some recent examples of unanimity almost defy coincidence”).²⁶⁸ But the once sharp and often combative political tone of the papers was now gone. Instead of endlessly hurtling invective against the Company’s political opponents and editorializing against them in their “news columns,” the Company papers now tended to largely ignore such political

²⁶⁶ Mercier, *Anaconda*, 57.

²⁶⁷ Ibid.

figures along with the issues they raised. Indeed, the Company newspapers' coverage of Montana politics and public policy issues atrophied even as it became somewhat more benign. The Company's newspapers became, in Reutten's words, "monuments to indifference."²⁶⁹ Instead of reporting on noteworthy Montana political and public policy issues or on local controversies, the Company papers focused on "light" local news and amusing human interest stories, or on events from across the globe, a policy known in the journalistic trade as "Afghanistaning."²⁷⁰ An indication that changes were afoot in the Company's handling of its newspapers came with the firing of the *Missoulian's* prickly but talented editor, Martin Hutchens, in 1927. By the early 1930s, it was evident that even the *Helena Independent's* highly vituperative Will Campbell somehow had been mellowed. Until the late 1920s, the Company had been willing to work through "somewhat autonomous editors in Missoula, Helena, and Billings, where it probably shared ownership with other conservatives,"²⁷¹ Following the consolidation of its control over the bulk of Montana's daily newspapers by 1929, however, the Company seems to have either replaced or muzzled such legendary editors as Hutchens, Campbell and the *Billings Gazette's* John E. Edwards. The Company had dropped "the great gray blanket," (as it was called) of its new style journalism over the state. Montana would not emerge into a more free and independent journalistic atmosphere until the Company's sale of its newspaper chain on June 1, 1959.

²⁶⁸ Richard T. Ruetten, "Togetherness: A Look into Montana Journalism," in *Montana's Past: Selected Essays*, eds. Michael Malone and Richard Roeder (University of Montana, Missoula, 1973), 432.

²⁶⁹ Malone, Roeder, and Lang, *History of Two Centuries*, 368.

²⁷⁰ Ibid.

²⁷¹ Dennis Swibold, email to author, 3 December 2002.

Exactly why, in the late 1920s, the Company decided to so fundamentally shift the stance and style of its newspapers, remains an unanswered question. While the definitive answer probably cannot be known, there are some likely reasons. First, by the early 1930s the Company, buffeted by a deep Depression, simply did not have the energy or the resources to continue its political battles in the state. Second, by the late 1920s the Company was a truly gigantic international concern whose primary copper assets were located in Chile. Montana and its political situation simply did not mean as much to the Company as they had when the bulk of the Company's assets were tied up in the Butte hill. Third, there was evidence that the Company's use of its newspapers in such a vituperative and self-interested fashion had caused a backlash in Montana that had been counterproductive to Company interests. Examples of this "backlash" included the passage of I-28, the continuing popularity of the charge that "the Company runs Montana government," and the succession of anti-Company politicians who received major party nominations to do battle with the Company. Perhaps, thought Company executives, if they could lessen the Company's political profile somewhat, the Company would become a correspondingly innocuous political target.

In addition, there is evidence that newer Anaconda executives, some headquartered in the company's political lobbying department, were producing alterations in the company's political ideas and strategies. Al Wilkinson, hired as Anaconda's public relations director in 1928, reportedly frowned upon the bombastic usage of the Company's newspapers for overt political purposes and also upon the Company's legendary "hardball" political tactics used against opposing politicians. Wilkinson,

reportedly a highly skilled and effective lobbyist, is said to have favored the utilization of information and persuasion over the more brazen sorts of political tactics that the Company had long favored.²⁷² As political analyst Neil Peirce has written, "Wilkinson saw that the old blackjack and payoff style-lobbying was out of date, and he operated in a thoroughly professional way; several legislators with whom he dealt told me of their respect for him, based on his candor and honesty."²⁷³ In a similar vein, Peirce describes the efforts of Company President W.H. Hoover, who replaced C.F. Kelley in that position in 1933, "to curb the company's bludgeon-like activities and adopt a more subtle approach."²⁷⁴ To this end, Hoover ended the company's practice of maintaining all hours "hospitality rooms" in Helena during legislative sessions. The "hospitality rooms" had dispensed unlimited amounts of free liquor to state legislators, a practice which according to Anaconda officials was turning some legislators into "tramps." Hoover curtailed this lobbying technique, limiting the offer of free booze to legislators to three hours per day, and only in one room.²⁷⁵

In the late 1930s, following President Roosevelt's efforts in 1937 to "pack" the U.S. Supreme Court, a rift developed in the Montana Democratic Party between those who opposed the President's Court Reorganization plan and those were supportive of it. The former group was led by Senator B.K. Wheeler, who also played a leading role in ultimately defeating the President's plan in the U.S. Senate. The President's loyalists in

²⁷² Apparently, Wilkinson had to overcome the opposition of company "heavyweights" C.F. Kelley and Dan Kelly, both of whom favored the Company's old "rough and tumble" political methods, on this point. See Neil Peirce, "Montana High, Wide, Handsome – and Remote" in *Montana's Past*, 480-84.

²⁷³ Neil R. Peirce, "Montana High, Wide, Handsome – and Remote," in *Montana's Past*, 482.

²⁷⁴ *Ibid.*

the state were lead by Jerry O'Connell, the young Western District Congressman and ardent leftist, and by Wheeler's junior colleague from Montana, the liberal Senator James Murray. The anti-"Court packing" Democrats tended to be more conservative than were their counterparts who favored to plan. In 1938, in an attempt to punish those who had opposed him in the Court reorganization fight and send a warning to those Democrats who would contemplate opposing him over major issues in the future, Franklin Roosevelt tried to defeat those Democrats who had "crossed him" in the Court fight. In Montana this most surely would have involved an effort to defeating Wheeler, but for the fact that he was not standing for re-election until 1940. Representative O'Connell, however, began publicly boasting that he would challenge and defeat Wheeler in two years, announcing that President Roosevelt had asked him to "go out there and fight like hell to beat the Wheeler machine so he wouldn't be back in 1940."²⁷⁶ Wheeler had other ideas, of course, and taking a page from the President's book leant his full backing to O'Connell's Republican opponent that fall, a Butte dentist named Jacob Thorkelson. Unfortunately for O'Connell, the Company fully shared Wheeler's antipathy to him. Not only were his politics undoubtedly far too radical for the Company's leanings, but O'Connell had displayed the bad taste to point out the fact that Anaconda had failed to pay an excise tax on imported copper and had initiated legislation to stop its importation.²⁷⁷

Thus, the Company joined in Wheeler's bi-partisan efforts to defeat the firebrand O'Connell with the unknown Dr. Thorkelson. Resorting to its time-honored tactic, the

²⁷⁵ Ibid.

²⁷⁶ Malone, Roeder, and Lang, *History of Two Centuries*, 307.

²⁷⁷ Steele, *Wellington Rankin*, 140.

Company press “blacked out” coverage of O’Connell’s campaign.²⁷⁸ Aided by their temporary alliance with the Company, moderate-to-conservative “Wheeler Democrats” such as Congressman James O’Connor and Governor Roy Ayers combined forces with Republicans to decisively defeat Jerry O’Connell in the November election. Both the Company’s and Wheeler’s interests had been served by their temporary alliance in 1938. For Wheeler, an upstart opponent’s challenge had been nipped in the bud and a clear message sent to President Roosevelt, while for the Company, an irritant and a threat to their bottom line had been eliminated. Senator Wheeler had proved he could appeal across party lines for his own electoral ends, much as Joseph Dixon had done in his successful appeals to Democrats in 1920 when the young firebrand he faced had been none other than Wheeler himself. From the Company’s perspective yet another threatening politician had been disposed of, at least temporarily.

In 1940, the Company and Wheeler again would join forces to defeat their mutual nemesis, O’Connell, who ran against Jeannette Rankin to regain his old congressional seat. Although the Company had negative memories of Rankin from her service in Congress a generation earlier, she was definitely “the lesser evil” for them compared to “Red Jerry” O’Connell. B.K. Wheeler, who also was running for re-election to his senate seat, continued to see the Murray-O’Connell wing of the Montana Democratic Party as a threat and threw his support to Jeanette Rankin in this contest as well.²⁷⁹ Many “Wheeler

²⁷⁸ Malone, Roeder, Lang, *History of Two Centuries*, 307.

²⁷⁹ By 1940, Wheeler had developed further reasons to feud with FDR and with many of his own fellow Democrats. In particular, he opposed the President’s “interventionist” stance with regards to WWII and had assumed a leading role in the public struggle over this issue. Jeanette Rankin’s stance on U.S. involvement in the war was far closer to Senator Wheeler’s position than was President Roosevelt’s.

Democrats" again crossed party lines and voted for Rankin, who prevailed in November. Wheeler himself survived the opposition of the liberal wing of his party and won by a huge margin in 1940, drawing the support of many Republicans.

In 1942, Wheeler again would cross party lines in an effort to defeat his liberal antagonist, Senator James Murray. The Company again appears to have sided with B.K. Wheeler in an intraparty struggle against a liberal foe, once again using its newspapers to deny coverage to a rival. For years Senator Murray had felt that the Company papers had denied coverage to his congressional accomplishments; he believed that a number of Eastern newspapers covered his works better than did the Company newspapers in his home state. In August of 1942, Murray chose to kick off his re-election campaign with a radio address denouncing the Anaconda press.²⁸⁰ In 1942, Montana's senior senator would throw his support to another Rankin, Jeanette's brother Wellington, a longtime friend and sometime political ally of Wheeler's who had grown far more conservative since his anti-Company battle for the governorship. In 1942, W.D. Rankin would run for the senate as a conservative critic of President Roosevelt's handling of the war effort. Although Rankin would run close in this very hard-fought race, the Wheeler-Rankin forces ultimately were defeated in what must have been perceived as a major victory by Montana's liberals.

In 1946, Wheeler ran for re-election and was defeated in the Democratic primary by Leif Erickson, a young, rather lightly regarded liberal. The Company supported Wheeler

²⁸⁰ Donald Spritzer, *Senator James E. Murray and the Limits of Post-War Liberalism* (New York, Garland Publishing, 1985), 78.

in this contest Wheeler, thus coming full circle to endorse the man it had once dubbed "Bolshevik Burt." It even ran his picture on the front page of the *Anaconda Standard* before the primaries.²⁸¹ Wheeler, whom Montana laborers once overwhelmingly supported, had taken to criticizing a number of prominent Montana unions for their alleged infiltration by communists. In addition, a short but violent strike had erupted in Butte in April, just before the May primary election. The Company press echoed Wheeler's charges that communists had infiltrated Montana unions, claiming that communist union members were responsible for the strike.²⁸² Regardless of who had caused the strike, however, it left ACM workers in a particularly raw mood right before the Democratic primary. In the end, despite the endorsements of Wheeler by national labor leaders and President Truman, an agitated labor vote based in Butte massively supported Erickson over Wheeler in this contest. Undoubtedly, members of the old "Roosevelt liberal" wing of the Montana Democratic Party also contributed to Wheeler's defeat (e.g., Senator Murray contributed a substantial sum to Erickson's campaign). It is also doubtful that the Company's open support of Wheeler did him any good with workers or liberals, many of whom undoubtedly viewed such support as further proof that the senator was no longer truly "with them."²⁸³

²⁸¹ Early in his political career, Wheeler had commented "if you ever see me on the front page of a Company-owned newspaper, you will know I have sold out."

²⁸² Finn, *Tracing the Veins*, 46.

²⁸³ A possible explanation of this conundrum is that the Company's actual goal was the *defeat* of the fiercely independent Wheeler in 1946 and the election of a true conservative to the senate. If this were its real goal, the Company's counterproductive endorsement would make sense as an aspect of this larger strategy. Undoubtedly, the Company would have known that the liberal, lightly regarded Erickson would be far easier to beat in the general election than would Wheeler, who enjoyed surprisingly strong support among Montana Republicans. In fact, the ultraconservative Republican nominee, Zales Ecton, did go on to

There is evidence that many Montana workers, particularly those in the Company strongholds of Anaconda, Butte, and Great Falls, returned to the state after their experience in World War II with a heightened sense of confidence and political empowerment. According to the powerful former state AFL-CIO chief, Jim Murry, a WWII veteran, "many of his elders feared challenging the company because it provided needed jobs,"²⁸⁴ but his generation returned from the war realizing that "Jobs were important, but...corporations had to be responsible citizens, respecting workers and the environment and paying their fair share of taxes."²⁸⁵ They would form a progressive farmer-labor coalition that would become a real force on the Montana political scene. This coalition proved highly instrumental, in the late 1940s and 1950s, in electing such pro-labor liberals as Senators Murray and Mike Mansfield, Governor John Bonner, and Congressman and later Senator Lee Metcalf. Among other things, they also agitated vigorously at the state level for a stronger workers' compensation system, silicosis legislation that would require corporations such as Anaconda to pay for the treatment of workers who had contracted the disease while in their employment, a higher minimum wage, and defeat of right-to-work legislation. Although not always successful in these efforts, the farmer-labor coalition, centered in the Company's workers, certainly played a large role in shaping the state's post-war political agenda. This coalition worked almost exclusively through the state's Democratic Party, which after 1946 was largely purged of the more conservative "Wheeler Democrats," and made the state's Party one of the most

handily defeat Erickson in the general election contest, becoming the first Republican to serve as a U.S. Senator from Montana since Joseph Dixon's departure in 1913.

²⁸⁴ Mercier, 102.

progressive, labor-friendly state Democratic organizations in the nation. Now lacking a toehold in the Democratic Party, the Company would turn to the conservative, often Red-baiting, Republican Party in the late 1940s and 1950s in its efforts to derail the progressive agenda of the state's Democrats.²⁸⁶

In 1952, the progressive labor-farmer coalition mounted a statewide initiative campaign to declare silicosis an occupational disease. The Company and its conservative allies fought back through the Montana Economic Council in a well-funded, heavily manned effort to prevent the initiative from receiving enough signatures to be certified for the November ballot. In the end, the Company won a narrow victory in this contest. In 1953, the labor-farmer coalition advocated a broad array of progressive reforms that extended far beyond its own parochial concerns. These included, "equitable taxation, nonprofit status for cooperatives, more adequate welfare relief for the poor, improvement of conditions at state institutions, a full-time Indian coordinator to address Native American issues, and aid to landless Indians to buy farms."²⁸⁷ During the 1955 legislative session, the progressive coalition again made the inclusion of silicosis coverage in the

²⁸⁵ Ibid., 102.

²⁸⁶ Charges of their alleged "communism" or "softness on communism" would be staples of Republican campaigns against liberal icons Mike Mansfield, Lee Metcalf, and James Murray in the 1950s. The Company consistently supported the Republican candidate in electoral campaigns against this trio. In his first Senate bid, in 1952, Mansfield would be forced to defend himself against a barrage of charges in Montana that he was, at the very least, a "communist dupe." In the 1952 race to fill Mansfield's Western District seat in Congress, Lee Metcalf squared off against Wellington Rankin in what was to be Rankin's "last hoorah." The Montana Citizens Council was resurrected by the Company and its allies in order to defeat Metcalf. The Council published a pamphlet attempting to brand the liberal-populist Metcalf as an "active communist." Metcalf won anyway, in what was yet another close election loss for Rankin. In 1954, Murray faced Wesley D'Ewart, then serving as Montana Eastern District Congressman, who made Senator Murray's alleged communist leanings a centerpiece of his unsuccessful campaign to defeat the longtime senator. For more information on efforts to "smear" Lee Metcalf in the 1952 campaign, see Steele, 181.

²⁸⁷ Mercier, *Anaconda*, 105-06.

state's workers' compensation program its top priority. In February, the town of Anaconda's Smeltermen's Local 117 even took the step of chartering a bus so that members and their wives could attend a public hearing on the occupational disease bill. At this hearing top "ACM lobbyist R.D. Corette and chief safety engineer Jack Warren testified that the rank and file did not want protective legislation and that 'pure air' circulated in the Butte mines."²⁸⁸ Eventually this legislation was defeated in the 1955 legislative session, along with such progressive-backed measures as the eight hour "collar to collar" bill and increased welfare payments to silicotics. Of course all of these measures represented "unwanted intrusions" into Company business practices and threats to the Company's bottom line and thus were vigorously, and successfully, opposed by it. The Company was assisted in its efforts to defeat liberal legislation by the Democratic legislative delegation from Butte, who were dubbed the "Silvercrats" by their anti-Company opponents. The Silvercrats generally voted with Republicans in support of the Company's position on silicosis, workers' compensation, minimum wage and other legislation that would significantly affect the Company's responsibilities to its Montana workers.²⁸⁹ Interestingly, this practice contrasted sharply with the behavior of the Democratic legislative delegation from the town of Anaconda, which tended to be at the forefront of the battle for progressive, pro-worker legislation.

The Company displayed great determination and consistency in its opposition to

²⁸⁸ Ibid., 107.

²⁸⁹ Ibid.

silicosis and expanded worker's compensation legislation in "the Treasure State" throughout much of the 20th Century. This is unsurprising given the Company's constant attention to keeping its workforce expenditures to a minimum coupled with its perennial fears that another Heinze-style politician would arise to threaten them in their native state. The Company mounted campaigns to oppose Montana worker's compensation legislation in a number of years, including: 1912, 1914, 1919, 1920, 1924, 1930, 1949, 1951, 1952, 1953, and 1955. In 1920, 1924, 1930, and 1952, the Company and its allies employed major campaigns to secure the decertification of ballot initiatives that would have expanded the coverage provided under Montana's workers' compensation system. The 1952 initiative, which concerned the proposed addition of silicosis to the list of "occupational diseases" covered under the state's workers' compensation system, developed into a major contest between the Company and Montana's potent progressive labor-farmer coalition that had developed following WWII. Anaconda and the Montana Power Company surely were not alone in their opposition to this initiative, however. Many of the state's small businessmen, bankers, conservatives, Republicans, and ranchers also doubtless shared the Company's dislike of this "socialistic" legislation. As still by far the state's largest businesses, and the only major employer that routinely dealt with silicotic workers, however, the Company had the most to lose through passage of this legislation. It was natural, then, for them to assume the lead in the effort to decertify the proposed changes to the industrial accident law.

This the Company and its conservative allies did through the Montana Economic Council, a pro-business lobbying group that was formed in April of 1952 specifically to

defeat the silicosis initiative. The well-funded new lobby (businesses were encouraged to give "two dollars per employee" to the organization; businesses engaged in a "hazardous industry" were encouraged to donate more)²⁹⁰ printed a slick pamphlet in opposition to the "dangerous" initiative, and began to spread its anti-initiative message across the state. The Economic Council also put forth a sample initiative petition that contained an arrow running across the space for signatories to place their names. The arrow pointed to a message in bold reading, "Warn Your Neighbors Warn Your Employees Not To Sign This Petition" For added measure, a message in bold at the top of the sample petition read, "Warning! Watch Out For This Petition! It Is Dangerous and Destructive to Every Employer in Montana!"²⁹¹ Recipients of the real petition were advised to return it to the measure's sponsors, the Montana Industrial Health Committee, and were given the appropriate return address for that group. The Company still had its newspaper chain with which to combat the initiative. It deployed employees for grassroots lobbying efforts and also implemented an in-house lobbying campaign aimed at convincing its workers to decertify signatures prior to the July deadline for qualifying the initiative on the November ballot.

The Montana Economic Council's anti-initiative brochure stressed a few main points in its negative critique of the workers' compensation initiative. Emphasizing the "undue burdens" that this legislation would place on industry, the brochure contended that it would force industry out of the state. This, they pointed out, would harm not only

²⁹⁰ "Dear Employer" letter, Dean Chaffin (Chairman, Montana Economic Council) to Anaconda Co. officials, 26 April 1952, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

employers but their employees as well. In this vein, the Council wrote that, "All of these things add up to a financial burden so heavy as to be unbearable by every business in Montana, and compensation insurance would be out of the question – none would be available."²⁹² The pamphlet also stressed the supposedly excessive nature of this "vicious, unfair" legislation; noting, among other things, the increase in weekly benefits from \$28.50 to \$38.00 per week, the possibility that employers would be forced to provide "a lifetime of care" to workers who may not even have been injured on the job, and the fact that claims could be lodged for up to twenty years following an injury.

The Council's brochure also played domestic Cold War politics with the initiative, associating it with communism generally and its authorship specifically with persons such as former Montana Congressman, "Red" Jerry O'Connell. On page one, in bold, capitalized letters, the brochure exclaimed "Don't Let The Iron Curtain Fall On Montana!" On pages two and three, under the headline, "*Who Started This Petition?*" the brochure emphasized the "links" between the petition's alleged creators, the Progressive Party and Jerry J. O'Connell, and the Communist Party.²⁹³

If any doubts remained in readers' minds regarding the links between "Red Jerry" O'Connell and the workers compensation initiative, the Council's brochure attempted to erase them with its reference to "The Jerry J. O'Connell Progressive Party Initiative Compensation Petition..."²⁹⁴

²⁹¹ Montana Economic Council brochure, "To Every Montanan!," April or May, 1952, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6, 1.

²⁹² Ibid., 4.

²⁹³ Ibid., 2-3

²⁹⁴ Ibid., 3.

The Montana Industrial Health Committee, which sponsored the legislation, responded with its own brochures which tried to discredit charges about the initiative that had been made by the Economic Council while also demonstrating the initiative's essential "fairness" to the state workers and taxpayers alike. One brochure stressed the fundamental democratic rights of Montanans under their state Constitution to enact initiatives dealing with issues that were of importance to them, and asserted that the "Big Boys" of Montana industry were attempting to deny Montanans this fundamental right by keeping the initiative off the November ballot. While urging Montanans to "Sign And Circulate The Petition" the Committee also contended that, "In 42 of the 48 states, occupational diseases come under Workmen's Compensation laws. Not one of these states has been bankrupted. Nor have any employers been put out of business!"²⁹⁵ In another brochure, the Health Committee tried to remove the taint of "foreignism" and "communism" from their measure by stressing the homegrown, Montana origins of the initiative's sponsors, the Mine-Mill workers, the Montana Federation of Labor, and the Montana Farmers Union. The brochure even went so far as to refer to the proposed initiative as "wholesome legislation." This pamphlet also stressed the essential "fairness" of shifting the burden of treating silicotics from the Montana taxpayers, where it currently rested, to the industry that "caused the disease." As the Committee put it, "The general taxpayers in Montana are footing a \$400,000 bill every year paying for Public Welfare

²⁹⁵ Cascade County Trades and Labor Assembly, Great Falls Building Trades Council, Cascade County Farmers Union, and Mill and Smeltermen's Union, No. 16 brochure, "What Does Democracy Mean?," April or May, 1952, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6, 1.

assistance to sufferers of silicosis, an industry-caused disease.”²⁹⁶ It is clear from even a cursory reading of the pamphlets put out by the labor-farmer organizations that battled for the 1952 workers compensation initiative, that they were deeply concerned with countering the charges that their legislation was “communistic” or that it would cause great hardships for Montana industry. While in July the initiative’s backers came close to qualifying it for the November ballot, the fact that they did not succeed points to the continued effectiveness of the Company and its allies’ efforts at raising fears in the state about the likely economic and social impacts of progressive economic legislation.

The Company’s great interest in not permitting the 1952 workers’ compensation initiative to reach the November ballot is evident from the assiduousness with which it treated its own in-house lobbying efforts. Interoffice correspondence displays the keen interest that the Company was taking with regard to the “proper edification” of its workers about the dangers of the proposed initiative. In early May, ACM’s Montana department managers informed Floyd S. Weimer, General Superintendent, that per his orders all of their employees had been circularized with anti-initiative pamphlets. These letters then were signed by someone who went by “JW” and by R.B. Caples, another Montana executive with Anaconda. A typical example of this correspondence read, “In accordance with your orders, each employee in the ferromanganese department has been given a pamphlet and a sample petition pertaining to the amendment of the industrial

²⁹⁶ Montana Industrial Health Committee brochure, “Mr. Taxpayer...Are You Tired of Paying Industry’s Industrial Health Bill?,” April or May 1952, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6, 1.

accident law.”²⁹⁷ Company records also demonstrate its willingness to deploy its relatively great array of manpower in the service of the Economic Council’s efforts to defeat the workers’ compensation initiative. Evidently a good number of Anaconda employees -- unfortunately it is not possible to give an exact number -- were granted overtime pay for their efforts on behalf of the Montana Economic Council’s campaign. While the precise nature of these activities is impossible to ascertain, it is likely that the Anaconda employees were engaged in grassroots lobbying efforts, along the lines of the Montana Power Company’s use of its linemen to spread anti-Dixon messages in the 1924 campaign. Anaconda Company records show that several Great Falls employees were paid both for overtime and for the car mileage they accrued in their anti-initiative efforts during the three weeks of June and July of 1952 that led up to the workers’ compensation initiative’s certification deadline. These employees generally worked on their Economic Council project for two to four hours each day, six days per week. Their automobile travel was compensated at a rate of six cents per mile, which resulted in a rather large expenditure for Anaconda, as these employees claimed between 228 and 925 miles of travel in the course of their efforts.²⁹⁸ All of this suggests that Anaconda and its allies mounted a “big push” to block the workers’ compensation initiative in the final weeks before its certification deadline. The ACM’s willingness to pay its employees considerable sums for the rendering of political services also is clearly reflected here.

²⁹⁷ Maurice J. Villeneuve (sp?) to F. S. Weimer, signed by Robert B. Caples on 5/8/52, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

²⁹⁸ “Overtime: Work Record of Salaried Employees of Anaconda Copper Mining Company and Anaconda Wire and Cable Company, Great Falls, Montana Account Montana Economic Council,” for June-July 1952, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6,.

Whether or not such expenditures would survive a strict cost-benefit analysis is not known, but it *is* likely that such efforts by Anaconda played a role in the defeat of the 1952 workers' compensation initiative along with other legislation that would have adversely affected the Company's bottom line over the years.

Of course, blocking the certification of workers' compensation initiatives in Montana was nothing new for the Company. In 1930, the "Montana Twins" had successfully mounted a campaign that effected the removal of thousands of signatures from an AFL-supported initiative petition to expand and increase the benefits of the Montana Workers Compensation Act. In the end, the initiative fell approximately 10,000 votes short of qualifying for the November ballot. In this instance, the Company, in what seems to have been a largely in-house effort led by Anaconda's W.H. Hoover and Montana Power's Clinton Booker, apparently did not bother with mounting the sort of major grassroots political campaign that it would employ to decertify the 1952 initiative, although it did prepare a 31-page pamphlet detailing the problematic nature of the proposed law.²⁹⁹ With regards to the proposed 1930 workers' compensation reform, the Company seems to have relied heavily upon a June 23-30 canvass of all the initiative petition's signatories as its principal means to disqualify the measure. The canvass was directed by Anaconda executive W.H. Hoover, whose efforts succeeded in persuading many former supporters of the initiative's placement on the November ballot to sign withdrawal petitions.

²⁹⁹ W.J. McMahon (Labor Commissioner, Anaconda Co.) to A.E. Wiggin (Manager of Reduction Department, Anaconda Co.), 9 May 1930, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

The Company also apparently hired the Great Falls law firm of Cooper, Stephenson & Hoover to secure to withdrawals of all Anaconda employees who had previously signed the petition to have the workers compensation legislation placed on the ballot.³⁰⁰ S.B. Chase, Jr., an attorney with the firm, conducted this effort involving 45 Anaconda employees. Five were apparently unavailable to Chase, so he concentrated on obtaining withdrawals from the remaining 40 workers. He succeeded with 38 of these, only failing to persuade two "hard cases." One of these men, George C. Jollie, remarked to the lawyer "that he was disinclined to sign a withdrawal *but supposed he had to sign it*, (italics added) particularly as all the other boilermaker signers had withdrawn. I told him I was not using coercion to get anyone to withdraw and if he would not withdraw willingly I would not try to force him to do so. He said, 'I will let it stay the way it is.'"³⁰¹ Chase went on to say in the memorandum that he was sure that he could have secured Jollie's signature "unwillingly," had he wished to pursue such a course. Given the tremendous rate of success enjoyed by Anaconda in achieving petition withdrawals by its employees, and also the fact that S.B. Chase was known to be an agent of the company, their employer, it is doubtful that there was any need for Chase to resort to *overt coercion* to effect his ends. There was an ample supply of not-so-subtle coercion in the air as Chase, on behalf of the ACM, "asked" workers to sign his withdrawal petitions. What *is* amazing

³⁰⁰ Longtime Montana counsel to the Company, Cooper, Stephenson and Hoover also would produce a future ACM C.E.O., Roy Glover, a lawyer for the Great Falls firm for a number of years who would head Anaconda in the 1950s.

³⁰¹ "Memorandum," S.B. Chase to Robert B. Caples and Albert E. Wiggin (Anaconda Co. managers), 10 July 1930, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

is that, in the midst of the Great Depression, two workers actually refused to comply with Chase's request.

In 1924, the year of the Company's epic battle to deny Governor Dixon's bid for re-election and to defeat the metal mines initiative, a workers' compensation initiative was also proposed for inclusion on the November ballot. Despite its other political concerns in that watershed electoral year, the Company evidently somehow found the time to fight the certification of this initiative, too. Here again, the Company employed its technique of securing withdrawals to effect the decertification of a threatening ballot initiative. As reported by the *Great Falls Tribune* after the initiative fell short of qualifying for the general election, "The filing of these withdrawals was brought about *through the activity of certain of the larger employers of the state*, (italics added) who looked with distrust and fear upon the proposed law, which would have placed a heavy financial burden upon them."³⁰² The *Tribune* went on to speculate that the reason that the metal mines initiative had garnered certification, while its fellow progressive initiative concerning workers' compensation had failed, was that the state's "large employers" (i.e., the Company and a few of its allies) had opposed the workers' compensation initiative while largely ignoring its metal mines counterpart. If the *Tribune* is correct in this analysis, it would lend further credence to the theory that the Company, concluding that the Dixon campaign and the metal mines initiative were inextricably linked, decided to focus their fire upon the

³⁰² *Great Falls Tribune*, 5 July 1924, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

candidate, assuming that his defeat also would bring the defeat of the metal mines initiative.

Even earlier efforts at creating or expanding the state's workers' compensation system had met with Company opposition, which, typically, had proved to be largely successful. In 1920 the workers' compensation initiative, "Initiative Number 17," was decertified after 3,400 signatories withdrew their names. In 1919, as they had in 1914, the Company's Montana counsel, Cooper, Stephenson, and Hoover, had written to Anaconda executive C.F. Kelley to express their concerns about the effect on the Company of the "very radical" workers compensation bill that was being considered by the state legislature. In 1914, Kelley was requested by the Great Falls firm to gather comparative information on workers compensation bills from around the nation in order to help prepare for "the upcoming fight" in Montana over the issue.³⁰³ Montana's original workers compensation act had been passed by the state legislature in 1915, at the height of the state's progressive era, but even this landmark bill represented a significantly watered down version of the 1914 initiative that the Company and its allies had defeated through an effective grassroots campaign. In an effort that set the pattern for the Company's 1952 campaign, the Company had formed the Montana Advancement Association, "which sent speakers into rural areas warning of the dangers of such a system."³⁰⁴ In its struggles against workers' compensation legislation, both in the more comfortable confines of the state legislature and also via the more rough-and-tumble

³⁰³ Cooper, Stephenson and Hoover to C.F. Kelley, 7 January 1914, Anaconda Company Collection, Montana Historical Society, Box 211, Folder 6.

³⁰⁴ Malone, Roeder, and Lang, *History of Two Centuries*, 260.

initiative process, the Company maintained a remarkably consistent record over a nearly fifty-year period. The Company reliably opposed first the creation and then any expansion of the state's workers' compensation system, utilizing its stunningly effective lobbying efforts to stymie reform of the system in the legislature and its powerful grassroots lobbying and petition withdrawal efforts to invalidate workers compensation initiatives before they ever reached the ballot. Indeed, during the 1914-1960 period no such initiative ever reached a general election ballot in Montana, despite numerous efforts to do so. Although the Company's arguments shifted slightly with the changing realities of the time, it consistently struck the same familiar themes in its opposition to workers compensation legislation. These familiar refrains include the arguments that: such legislation would place an undue burden on Montana businesses and force them to lay off workers and possibly to leave the state altogether, such measures were fundamentally "un-American" and represented an unwarranted intrusion upon personal liberties by a too-powerful government, and the state already enjoyed "good, fair" protections for workers under its current system. Although by the early 1950s the Company was not nearly so willing to "run the whole show" in opposing a workers compensation initiative as it had been in 1930, it nonetheless was still a major player -- if not *the* major player -- in the opposition to this measure. For the Company, the times might change, but its commitment to opposing legislation in its native state that would tend to negatively impact its profits or to grant the government greater regulatory authority over it, would remain a bedrock principle.

CONCLUSION

This thesis has summarized the Company's role in Montana politics from the 1880s through 1959. Particular attention has been paid to the 1920-59 period that follows both the "War of the Copper Kings" and the turbulent World War I era. A case study was made of the Company's role in state politics during the Dixon era, which represents by far the most formidable liberal-progressive challenge to the Company in the state's history (the only other political challenge of any stripe of comparable magnitude is F. Augustus Heinze's "populist insurgency" of the early 1900s). Certain patterns emerge in a study of this sort; in this case, patterns involving the Company's political preferences and operating methods in the state.

Although the Company certainly experienced major changes in the period under question, its broad goals and political philosophy remained remarkably constant throughout, even as its methods shifted in response to changing times. Chief hallmarks of the Company's seemingly timeless political orientation include: the defense of "its prerogatives" in the state, the maintenance of low corporate and individual taxation rates, keeping government regulation of business to a minimum, the protection of private property rights, and a general opposition to "liberal," "progressive" or overly "independent" political candidates. As a rule the Company favored the preservation of the status quo, which it had played a major role in creating prior to 1920, as this was

generally favorable to its interests.³⁰⁵ Always on guard against the rise of any politician or political movement that threatened its interests in the state, the Company reacted to such threats in the words of Michael Malone, "like a frightened and isolated mastodon, attacking whatever approached it."³⁰⁶ The Company's fundamental political orientation can be best described as that of a 20th century "business conservative" who gazed wistfully upon the late 19th century's "Golden Age" of laissez faire capitalism, although probably without actually wishing a return to the cutthroat competition, labor strife, and frequent "panics" of that era.

The Company did not stand alone in its conservatism in Montana. While undoubtedly always the state's most significant conservative force, it could not have compiled such a tremendous record of political success without having a number of substantial allies. Of course the Company generally could count on its statewide network of employees and business partners for political support, but it enjoyed "friends" of a considerably more independent stripe as well. The state's bankers, businessmen, oilmen, and large ranchers all tended to share the Company's political outlook and to support its efforts. In addition, both of the state's major parties generally offered a welcome home to the Company. With the exception of the year 1920, when Burton K. Wheeler and the Non-Partisan League overtook the state's Democratic Party, from the 1880s-1945 the Democrats generally provided a comfortable haven for Company politics. With the rise of union strength and

³⁰⁵ Exceptions to this rule would be cases in which the Company had more to gain than to lose from change, for example, in 1903 when in order to "defeat Heinze," the Company ceased operations in the state and forced passage of the Fair Trials Bill, or 1924, when it mounted a massive political assault on the incumbent Governor, Joseph M. Dixon.

³⁰⁶ Malone, *Battle for Butte*, 213.

liberalism in the Party following WWII, however, the Company largely turned to the Republicans. Excepting the Dixon era (1921-25) and Wellington Rankin's 1928 gubernatorial bid, the Republican Party also welcomed the Company with open arms throughout this period.

Although the Company was known to alter its political methods and tactics with changing times, its fundamental purposes remained consistent. The utilization of one its chief political weapons, newspapers, illustrates this point. As a rule, the Company bought newspapers and deployed them for political purposes when it faced great political challenges. Hence, when W.A. Clark posed a serious political challenge, Marcus Daly created the *Anaconda Standard* and rapidly built it into Montana's most substantial newspaper. The *Standard* became the first of the Company's newspapers, and Daly used it unstintingly in his "war" with Clark. When Heinze mounted *his* challenge to Company interests, it purchased additional newspapers and put them to work in an effort to turn public opinion against its new challenger. Once the "Heinze problem" had been effectively ended in 1906, the Company sold its now-apparently-unneeded newspapers. It "jumped back in" to the newspaper business in 1912, buying a Missoula paper to deal with a troublesome progressive senator (i.e., Joseph M. Dixon) and resold the paper following Dixon's defeat later that year.

The Company apparently began giving loans to indebted dailies in the late 1910s. These loans, which eventually became quite substantial, provided a source of leverage over these newspapers in the 1920s. Thus, by the time of its epic battles with Governor Dixon, the Company exercised substantial control over a number of the state's dailies

(e.g., the *Helena Independent*, the *Missoulian*) even though it did not own them outright.³⁰⁷ This method of newspaper control proved to be less than satisfactory to the Company, however, in the crucial 1924 elections. The Company-dominated newspapers hammered away at Dixon in time-honored fashion, and although Dixon was defeated, the adverse Mine Metals Taxation Initiative passed. In addition, there was evidence that the often undiplomatic veteran newspapermen who “semi-autonomously” ran these newspapers, tended to bring negative public reactions down upon the Company and its preferred policies. Responding to these problems, the Company wrought major changes in its newspapers in the mid-to-late 1920s, gaining outright control of eight dailies in the state, firing or muzzling problematic editors, and making the papers bland in tone and style. Instead of directly attacking political candidates and measures the Company opposed, henceforth, the Company papers tended to publicize political messages and candidates deemed “helpful” to Company interests, while simply ignoring those that were “unhelpful.” The message in this shift in Company policy was clear: if the newspapers were not effectively serving Company interests, they needed to be altered so that they would. It was at this time that the infamous “great gray blanket” of the Company newspapers descended upon Montana; they became known widely for their extreme blandness, low journalistic standards, and inattention to news items that might be considered “offensive” or “undesirable” to the Company.

As evidenced by the Company’s repeated success denying ballot certification to workers’ compensation initiatives from 1914-59, the Company was extremely effective

³⁰⁷ Dennis Swibold, telephone interview with author, 9 January 2003.

in its grassroots efforts at blocking unfavorable popular initiatives. In addition, while it certainly did not win every battle there, the Company also enjoyed a memorable rate of success in killing unfavorable legislation at the state legislature. An example of this is the Company's ability, from 1945-58, to block the potent labor-liberal coalition's efforts to pass legislative bills aimed at adding silicosis coverage to the state workers' compensation system. Another example of the Company's great political success rate in the state can be found in its near-total control of the statewide office that reputedly was its highest priority, the governorship. Recalling that Joseph Dixon actually *was supported* by the Company in the 1920 gubernatorial race as "the lesser of two evils" over B.K. Wheeler, it is generally believed that only once was a Montana governor elected who was not the Company's choice. This was Samuel C. Ford in 1940. A moderate Republican who was hardly anathema to the Company in the manner of a Wheeler in 1920 or a Dixon in 1924, Ford nonetheless apparently was not its preferred candidate. He won anyway, however, with the support of Burton K. Wheeler and his "Wheeler Democrats." Ford's victory is something of "the exception that proves the rule," however. The Company's record in keeping this most important of state offices in "safe hands" for nearly one hundred years is a remarkable testament to its political strength and abilities.

That the Company maintained a conservative political philosophy is not shocking; most major corporations have similar leanings. Neither is the fact that the Company vigorously pursued its interests in its native state. Many other major corporations have acted in a similar manner, although few perhaps have gone to quite the lengths of the Company in this regard. What truly amazes, however, is the Company's evident ability to

“get its way” in Montana so routinely and over such a great timespan, on important political matters. Although descriptions of “Company hegemony” over Montana politics seem to overstate the case, at least for the period under study, the fact remains that throughout its lifespan the Company was the “500 pound gorilla” in a relatively small, economically weak, geographically isolated state. Further, it proved more than willing to expend relatively vast resources to obtain its political objectives. These factors undoubtedly account for a good measure of the Company’s political success in the state. So, too, does the fact that just as one of “the Twins,” the Anaconda Company, was declining in power and losing relative interest in the state, its longtime junior partner, the Montana Power Company, was on the rise in both respects. In the 1950s as Anaconda began to pull away from its old role in state politics, the “young and hungry” MPC was more than ready to fill its shoes. Thus, even as “the Twins” grew further apart, particularly following the split of their legal-lobbying department in 1959, the illusion of Company hegemony in the state was maintained, which aided the Company in maintaining of influence. Increasingly after 1959, though, “the Company” in Montana really meant MPC acting on its own, with sometime support from its former mentor. Another factor in the Company’s political success undoubtedly was its maintenance of highly skilled, effective lobbying teams in Helena and Washington, D.C.

The issue of the Company’s political discourse in Montana is an interesting one. Specifically, what type(s) of discourse did the Company engage in when trying to “sell” its political agenda in the state? To whom was it speaking and how was it trying to convince these people of the “rightness” of its position? Of course, the Company’s

political discourse changed over time, but certain themes and arguments emerge repeatedly throughout the period under study. In response to the Dixonian challenge of the early 1920s, the Company ran a series of newspaper ads entitled "Taxation Talks." These advertisements attempted to portray the Company as "a good corporate citizen," stressing that it was "in the same boat" as all of the state's other businesses. To demonstrate its support for the state's broadly popular tax reform movement, the corporation promised to "publish the facts" about its own taxes.³⁰⁸ Good corporate citizenship, fair-mindedness, and support for the tax reform project were the hallmarks of this ad campaign. During its 1924 campaign against Dixon and the Mine Metals Initiative, the Company ran another ad campaign, this entitled "Mining in the Mountains – Prosperity in the Valleys." Here the Company put forward the message that the state's economy was inextricably intertwined with the Anaconda Co's well-being. If the mine tax initiative passed, the whole state would invariably suffer because, whether they knew it or not, all Montanans were Anaconda's economic "partners." As one ad contended: "...this Company alone supports about one-fifth of the State's population. The other four-fifths share indirectly in its disbursements."³⁰⁹ The tone of this ad is that of a somewhat aggrieved, but ultimately mature and benevolent, wise patriarch, who must warn his potentially foolish "children" not to harm him lest they bring far greater harm upon themselves.

³⁰⁸ "Taxation Talks," *Helena Independent*, 17 January 1922, 6.

³⁰⁹ "Mining in the Mountains – Prosperity in the Valleys," *Helena Independent*, 30 October 1924, 6.

The Company-supported, Montana Economic Council ads opposing the 1952 workers' compensation initiative adopted arguments similar to those used in the Company's 1920s ads, but added Cold War era messages. The ads' primary argument is that passage of the initiative will invariably lead to economic harm to all of the state's employers and workers. The *tone* of the Council's ad pamphlet is direct, factual, and urgent -- the tone of a friend warning you of an imminent danger. In part, your "friend" warns you about the "red menace" lurking behind this seemingly innocuous initiative, associating its sponsors with "communism," decrying the initiative's inherent "socialism," and in case you still do not perceive the lurking danger, bluntly warning, "Don't Let the Iron Curtain Fall on Montana!"³¹⁰ Similar "red scare" discourses were employed by the Company and its allies in efforts to discredit and defeat such liberal standard bearers as Mike Mansfield, James A. Murray, and Lee Metcalf in the late 1940s and 1950s. Generally, the Company's discourse with Montanans appears to have centered around issues such as the need to prevent the passage of "dangerous legislation" in order to secure the economic well-being of all Montanans, and the "radical" and "dangerous" nature of proponents of such measures. This was a particularly favored tactic during such "national emergencies" as the early Cold War era and the late 1910s- early 1920s red scare. Appeals to the images of economic well-being, security, and domestic tranquility, and the projection of attitudes of good corporate citizenship and patriotism were hallmarks of the Company's tradition of public discourse in the state.

³¹⁰ Montana Economic Council, Sample Workers' Compensation Initiative Petition, Anaconda Co. Collection, Montana Historical Society, Box 211, Folder 6.

Another interesting, and longstanding question about the Company concerns its perceived role as a “political hegemon” in Montana. While it is undeniable that the Company wielded tremendous power in the state, particularly in the pre-1960 era, it does not appear that it was a true hegemon in the 1920-59 period covered by this study.³¹¹

While the Company seemingly could control much of the political agenda in the state for periods of time, invariably effective resistance to such dominance would break out. For instance, although the Company arguably wielded hegemonic political power in the state in the late 1910s, it nonetheless could not prevent the major party nominations of two of its most-despised political adversaries, Joseph Dixon and Burton K. Wheeler, in the 1920 gubernatorial election. During Dixon’s governorship, the Company battled the progressive chief executive with all its might, yet never could truly steal away his control of the state’s public agenda, nor could it deny him his Party’s renomination in 1924.

Although the Company did defeat Dixon in the general election, it could not prevent the passage of the Mine Metals Tax Initiative (I-28) which significantly raised its taxes. The passage of I-28 sheds relief on a source of the Company’s political weakness; although significant majorities in its areas of operation (Great Falls, Anaconda, and Butte) opposed the initiative, Eastern Montanans overwhelmingly voted in favor of I-28. Although the Company could make alliances with people and politicians from regions in the state where it fundamentally lacked strength, it could never reliably count on their support.

³¹¹ The available evidence, however, does tend to indicate the possibility of such “Company hegemony” during the 1903-06 “Fair Trials Act”/Heinze period and again during the WWI/Red Scare era of 1914-19.

In the wake of "Dixonism" the state again settled into a conservative period that must have been pleasing to the Company, but within a few years the Great Depression had struck and the Company was suddenly faced with a governor it could not control, Governor Frank Cooney, and major changes in its relations to the federal government and its workforce wrought by the New Deal.³¹² During the 1930s, it faced revived liberal opposition led by Congressman Jerry O'Connell and Senator James A. Murray. Although it ultimately defeated O'Connell, the Company had to ally with the notoriously independent B.K. Wheeler in order to do so. In the process of allying with Wheeler, the Company undoubtedly strengthened his position, along with that of his independent Republican allies Wellington Rankin and Sam C. Ford, none of whom would willingly play the role of "toady" to the Company. Further, the Company was essentially forced from its comfortable perch in the Democratic Party after 1945 by the resurgent unionism and liberalism of the post-WWII era. Henceforth it would have to content itself with exercising its partisan political control largely through only the Republican Party. Often during this period the Company failed altogether to achieve its objectives, as is witnessed by the congressional victories from the 1940s-1970s of such liberals as Mike Mansfield, Lee Metcalf, Arnold Olsen, and James A. Murray. After 1919, the Company was less a "political hegemon" than it was a highly skilled, flexible political manipulator. It could

³¹² Cooney, a progressive Democrat largely supportive of New Deal reforms, was a thorn in the side of the Company during his brief tenure in office, 1933-35. Never elected to the post in his own right, Cooney had served as lieutenant governor and succeeded to the governorship upon Governor Erickson's resignation to fill T.J. Walsh's senate seat. He died in office in late 1935 and was succeeded by conservative Democrat Elmer Holt.

not win all the time, or stifle all opposition, but it could, and did, often manage to achieve a remarkable "batting average."

While the Company's political style became less overt and confrontational following its great 1920s battles with Wheeler, Dixon, and Rankin, it nonetheless continued to pursue its political agenda in the state. No longer able or willing to try to simply overwhelm opponents through the use of its resources, the Company worked more closely with other conservative groups in its efforts, as is evidenced by its cooperation with the Montana Economic Council to prevent certification of the 1952 workers' compensation initiative. The Company's track record remained one of overwhelming success. This record as "the Champ" undoubtedly helped to create the image of an "unbeatable Company," which in turn made the Company even stronger politically. Another factor in the Company's longstanding success in Montana politics was its flexibility and willingness to form temporary alliances, even with ideological enemies, for the purposes of defeating a common foe. Thus did the Company partner with Joseph Dixon in 1920 to defeat Wheeler, with W.D. Rankin in the early 1920s to undermine Dixon, and with Wheeler in the late 1930s and early 1940s to oppose Jerry O'Connell and James A. Murray. The Company did not "win" so often in Montana because it was widely popular -- in fact quite the contrary seems to have been the case -- nor because most Montanans shared its conservative economic philosophy, although there has long been a strong strain of "populist conservatism" in the state. At bottom, the Company's record in Montana politics is fundamentally that of a remarkably successful, aggressive political interest group that was able to profoundly shape the state's political outcomes.

This record, spanning widely differing eras and employing highly divergent methods, attests to the Company's political and economic clout, its lobbying skill, and its ability to form expedient alliances. It is a record of corporate involvement and sway in a state's political affairs that is not likely to be duplicated in the foreseeable future.

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This *bibliography* will be divided into two broad sections: the first consisting of the secondary sources that have been utilized in the research and writing of this thesis, and the second containing a corresponding description of the primary sources that have been used. The primary sources' section is further divided into sections containing manuscript collections, newspapers and periodicals, and interviews.

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Helena Independent, 1921-24

Helena Record-Herald, 1921-24

Great Falls Tribune, 1949-61

APPENDIX A:

THE ANACONDA COMPANY'S MONTANA DAILIES: 1929-59*

The *Anaconda Standard* (it became the Butte-based *Montana Standard*)

The *Billings Gazette* (morning and evening editions)

The *Butte Daily Post*

The *Helena Independent-Record*

The *Livingston Enterprise*

The *Missoula Missoulian*

The *Missoula Sentinel*

* The Company had owned several papers in the state at various times prior to 1929, but sold all of them except the *Anaconda Standard* by the late 1910s. In the early 1920s the Company began loaning money to needy newspapers and thus began gradually to gain control of them. Reputedly among the dailies that the Company leveraged in this manner are the *Helena Independent*, the *Billings Gazette*, and the *Missoulian*.

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