CONTENTS

Acknowledgments, ix

1 Just Politics, 1
2 Detroit, 13
3 Laws and Effects, 41
4 Michigan, 65
5 Washington, 98
6 Scandal, 130

Notes, 153
Index, 179

Illustrations follow page 89.
This book has a circuitous history, and it is a pleasure to thank the individuals and institutions that helped move it forward. I began the research as a fellow at the Woodrow Wilson Center for Scholars, when I thought that a bit of additional digging might round out the strange story of an election involving Henry Ford that tested the first federal campaign finance regulations, a case that was part of a wider history of campaign finance. I received good advice at a Social Science History and an American Society for Legal History conference. More good suggestions came with the opportunity to present what was an unwieldy mass at the Miller Center at the University of Virginia. Thanks to Sid Milkis and Brian Balough for the invitation to Charlottesville, along with their comments and those of the audience. Robert Mutch shared his expertise on the history of campaign finance reform, and Allison Hayward and Don Critchlow provided valuable feedback.

As I came to understand that this case worked better standing apart from the general history of campaign finance, research funds from the Ohio State Department of History made possible some extended stays in Michigan and Washington. Along the way, archivists at the Burton Collection at the Detroit Public Library, the Benson Ford Research Library, the Bentley Historical Library, the Library of Congress, and the National Archives were especially helpful. Ralph Mavis and Andrew Haley assured me that I had not gone off the rails, and provided good ideas on style and substance. Donald Ritchie’s comments on the entire manuscript saved me from some errors and, more important, pushed me on the book’s argument.

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Steve Thomas read every word, even though he had heard most of them before they made it to paper. His enthusiasm for the project
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boosted mine, and our conversations are reflected on every page. With all of that, I’m sure he’s glad that Truman Newberry is no longer a dinner companion. I’ll blame him for the next book; for this one he will have to settle for my love and respect.

My father died as I was finishing the book. He would have liked to have seen the finished product, even if he had never heard of Newberry and was a Chrysler guy. This book is for him.
Just Politics

In 1918, Henry Ford quite nearly became a U.S. senator, representing Michigan and, to his mind, all of mankind. Having entered the race at the urging of President Woodrow Wilson, Ford made no campaign speeches or appearances. Such exertions would have been both unnecessary and uncomfortable. Thanks to the early advertising and wild success of the Model T, practically every man, woman, and child in the state and beyond knew his face and what they imagined was his signature. And everyone already knew what he stood for. Campaign literature, newspaper coverage, surrogate speakers, and, most of all, Ford's recent political projects made obvious his opposition to war. Once the United States had joined the bloodbath in Europe, Ford pivoted, enthusiastically supporting Wilson's plan for peace, while his company turned some of its assembly lines to building the instruments of war. He was a nonpolitician—even an antipolitician—who ran in both the Democratic and Republican primaries at a time when Progressive Era suspicions of politics still ran high. There were good reasons to wonder how Ford, terrified of public speaking and accustomed to giving orders that men obeyed, would function in a body known for endless talk and imperious egos. By only 8,500 out of more than 430,000 votes cast in the general election, Michigan denied the country the chance to find out.

The winner was Truman Handy Newberry, son of John S. Newberry, a former Republican congressman and a fixture among the Detroit elite, and grandnephew of Walter Newberry, who had made his fortune in Chicago banking and real estate. Active at the edges of
Republican politics, this Spanish-American War veteran had served as assistant secretary of the navy and, briefly, as secretary under Theodore Roosevelt. Newberry idolized TR, even if his own preferred position was on the sideline rather than in the arena. Business, not politics or adventure, occupied Newberry, and he shifted the family’s investments into new areas, including Packard automobiles, one of the top luxury brands. Like Ford’s, his campaign did without speeches and, taking Ford’s silence one step further, without statements. Serving as assistant to the commandant of the Third Naval District, he was, mostly to his relief, not free to offer his views. But everyone knew where he stood, too. Campaign ads printed in nearly every newspaper in the state told the story. They showed the uniformed commander, a squat man, square straight on but more than a bit round in profile, positioned stiffly by his uniformed twin sons, staring ahead through his pince-nez glasses. Michigan voters would have to imagine what else he was, but they knew he was the anti-Ford: a nationalist who would follow Roosevelt and Senator Henry Cabot Lodge in opposition to the League of Nations in its current form.

Whether he was a progressive (he had been a Roosevelt man in 1912) or a conservative or something else entirely (the war was changing the meanings of those labels) was anyone’s guess.

Michigan voters would never learn much about his positions on most of the issues thrown up in the turbulent years after the war. Even before the Republican primary, in which Newberry defeated former governor Chase Osborn and Ford, investigators combed the state in search of election irregularities worth prosecuting. Wilson’s Department of Justice was especially alert to violations of the federal campaign finance laws. Here was low-hanging fruit: it was nearly impossible in most states to make a credible race in a competitive primary and spend less than the $10,000 limit established by the 1911–1912 Federal Corrupt Practices Act (FCPA). But loopholes in the law ("doorways" might be a better metaphor) made prosecution tricky. The limits covered only the spending of the candidates themselves. Newberry’s campaign committee spent nearly $200,000, most of it donated by friends and family. Newberry himself reported contributing and spending nothing. When a grand jury in New York, Newberry’s wartime station, failed to return an indictment, Ford’s own detective staff took charge. Picking a new federal prosecutor and friendly judge, Ford’s assistants produced the evidence and
a new theory of the case that resulted in the indictment and conviction of Newberry and members of his campaign committee.

That verdict did not survive the scrutiny of the Supreme Court. Still, Newberry’s troubles were not over. Twice the Senate had considered whether seating Newberry would be an affront to its dignity. With another hearing looming after the 1922 elections had thinned the ranks of his supporters, Newberry had neither the stomach nor the votes to endure the next round. He resigned in 1922, satisfied with what he chose to believe was the Supreme Court’s vindication, and with the justification that his important work was done. His election had helped defeat the League of Nations, and most of all had kept the madman Henry Ford out of the Senate.

The 1918 elections and the contests that followed were front-page news in Michigan and across the country. There were other close races that year, any one of which would have tipped the partisan balance in the Senate and the vote on the League of Nations, but none of those had the novelty of a celebrity candidate. And Ford was not merely famous. A bundle of paradoxes and, by the late 1910s, unfocused energy, Ford believed in the image he built for himself of a capitalist without greed or guile who embodied a simple, pastoral America. He had ideas, various and disjointed, about how to improve the lot of humanity beyond making a car ordinary people could afford, and an increasingly urgent itch to put them into action. Ford’s wealth dwarfed Newberry’s, yet he scorned rich men like Newberry as part of a parasitic and self-absorbed elite that created nothing and cheered on military adventures for the profits they generated. Newberry’s world revolved around socializing at fancy private clubs, service on corporate boards, summering and wintering in the right places, and most of all, his family and equally prosperous friends. While he lacked the drive and bellicosity of some of his peers—his was not an especially strenuous life—he shared with them the call of military service, as it was the duty of the elite to serve their country. Ford may not have burned to be one among ninety-six equals in the Senate, but to give in and let Newberry take the seat would have been to condone what he believed was surely militarism, fraud, and the machinations of a Jewish conspiracy. Newberry persisted despite his precious name becoming synonymous with corruption. To do otherwise would have been to admit that his campaign had done wrong and to hand the seat to a pacifist loon.¹
The quirks of the two men—their clashing personalities, politics, and place in upper-class culture—motivated them to press forward beyond where the sting of losing or the threat of embarrassment would have pushed one of them to quit. Each had plenty of money to hire high-priced legal teams (and, in Ford’s case, a detective force, too). But the case was also not about them. First the Wilson administration and then the Senate advanced the Ford-Newberry contest for their own reasons. The Wilson administration had eagerly spied on and prosecuted what it saw as enemies of the nation at war—socialists, pacifists, and people who might have said something critical about Wilson or the war. It was not difficult to turn the machinery of investigation on potential enemies of the administration’s plans for peace, as the nation and Wilson’s plan were the same thing for some Wilsonians. The thought of a Senator Ford made some Senate Democrats queasy, but Ford would be a vote for the League if nothing else. Some insurgent Republicans were among the most adamant opponents of the League, but their well of outrage was deep enough to allow them to fight Newberry’s seating, too.2

Insurgents had joined Democrats in supporting campaign finance regulations, arguing that big spending threatened free government and the Republic. For Republican regulars Newberry was a cause, a victim of hypocritical and politicized investigations. They fought for Newberry, even if some of them thought that his campaign spending was foolish overkill.

As the political and legal wrangling dragged on, and time removed Ford and the League of Nations from play, other questions took their place. The largest of them were the substance of representative democracy and what counted as justice in politics. Michigan voters had elected Newberry, knowing full well that his campaign had spent a lot of money. They saw the advertising it bought, read about it in the newspapers, heard the charges of excessive spending from the other campaigns, and knew that a grand jury had looked into the matter. If two-thirds of the senators could remove someone they disliked, in this case after numerous tries years after the election, what was the point of voting? Some senators, following Ford’s cue, insisted that Newberry’s campaign must have spent far more than the hefty sum disclosed, and that surely some of the money must have found classically corrupt uses, such as vote buying. Did Newberry’s victory mean that money could buy elections, and that unless he was unseated only the wealthy could consider running for office in the future?
Newberry’s campaign had taken pains to operate within the confines of the FCPA. But even if the campaign’s spending was completely legal, was it right? Those who sought to remove Newberry argued that his campaign had violated the spirit of the law and commonsense morality, decency, and fairness, even if the spending was technically legal. Newberry’s defenders believed that all the talk about political virtue masked a politically inspired persecution. They spent their time on the floor cleaning up after the critics’ rhetorical excesses, returning the discussion to the letter of the law and the facts that the hearings had established. They concluded that politics, not righteousness, explained the original and continued interest in the seat Newberry had won. Democrats and insurgent Republicans might get through an appointment what they did not get in an election: a progressive Republican replacement, who might vote with Democrats on many issues. Failing that, Democrats had a safe issue—“Newberryism”—that united all of its sometimes quarreling factions. For Newberry and the regulars who stuck with him, the attacks were just politics, not an attempt to make politics just or fair.

Veterans of the 1910s seating controversies involving William Lorimer of Illinois and Isaac Stephenson of Wisconsin could nearly cut and paste from their earlier speeches. Those cases raised different issues—buying state legislators in the first and substantial spending before the FCPA became law in the second. Still, the major themes remained. One side warned of the dire future of the Republic if money ruled politics, while the other decried abandoning the rule of law in the service of obvious political purposes. One new element in the arguments about Newberry’s seat was the FCPA, which had passed with assurances that the country had been protected from expensive campaigns. But the FCPA was never an effective legal or administrative instrument in taming the cost of campaigns. No matter: the Senate could and did judge the fitness of its members. The Newberry precedent inspired hearings examining the circumstances of other Senate elections, which in turn were part of a larger context of partisan and factional investigations in the 1920s. Newberry’s resignation allowed him to beat a happy return to private life, but it settled none of the big questions.

This book reexamines the story of the 1918 election and the machinations that followed. It began its life as a miscalculation. I imagined that the Newberry
case would supply a bit of background in a chapter on the FCPA, the guiding national legislation from the 1910s through the 1970s, in a larger study of campaign finance. Telling the story eventually overwhelmed the chapter as designed. Getting it as close to right as I could manage turned out to be more challenging and to include more angles than I had anticipated. Attorney Spencer Ervin's 1935 book on the case (the only full-length study) is a reliable guide through the legal morass. Otherwise, many of the secondary sources were thin or misleading. Biographies of Ford generally misremember this episode of his erratic career in public life, largely because they rely either on the archival collections connected with Ford or on Allan Nevins and Frank Ernest Hill's massive biography that did the same. Overviews of the history of campaign finance reform discuss Newberry’s spending and the legal fallout, noting their role in rewriting the spectacularly ineffective FCPA. Yet, most everyone involved left records that fill in what happened, why it mattered, and how the stakes changed over time. They open out a case that lays out basic questions in the history of campaign finance and, more than that, post–Progressive Era politics and political culture.3

The Ford-Newberry contest generated the first full test of the purpose, meaning, and possible uses of the FCPA, the first national campaign finance legislation that aimed to rein in the amount of money in politics. Reformers claimed that limiting campaign spending was important, even in the absence of classic corruption such as vote buying. Expensive elections hinted at potential corruption and influence peddling. But even without real or shadow corruption, even if money bought the labor of campaign workers and advertising, high campaign costs were dangerous. Dollars might substitute for talent, giving mediocre candidates an edge, and advertising could corrupt the minds of voters. Spending limits, the argument went, both encouraged equality among candidates and protected voters from too much seductive publicity.

The early twentieth-century assumptions have persisted in the major attempts to reform the American campaign finance structure since the 1920s. While legislation in recent decades largely has aimed at contributions rather than spending, and the Supreme Court has weighed whether specific limits do damage to constitutional rights to free speech, Progressive Era ideas about money and politics continue to guide campaign finance reform, as political scientist Raymond La Raja points out. Some current reform proposals take their cue from the Court and look to schemes that would enlarge the base
of small donors, abandoning concerns about how much money campaigns spend. Others look to create greater equality among campaigns through public funding or other mechanisms. While the methods differ, they share a concern with building citizens’ trust in politics and politicians, which, they argue, money erodes by buying access to power, creating the appearance of special favors, or composing a limited menu of possible policy choices. Progressive Era reformers would recognize and applaud both the current reform agenda and the sense that money stands in the way of both better politics and voters believing that their participation matters.4

Critics then and now have doubted every one of the reform claims. In addition to their concerns about First Amendment rights, they imply that reform ought to generate mistrust rather than trust. Most if not all of the efforts to tame the “problem” of money in politics have been motivated by partisanship and insulating incumbents, not good government. Some critics have wondered whether money is much of a problem at all. It is difficult to directly link contributions and policy: individuals and groups connected with specific policies tend to bet on winners or to fund candidates who already support their views. Political advertising allows candidates to communicate directly with voters and creates name recognition for candidates who lack it. Before getting too worried, they suggest that we compare the relatively paltry sums spent on political advertising with the amounts companies lavish on getting us to buy beer, soft drinks, and snacks. Critics depict campaign finance reform less as an urgent democratic project than as a masquerade, with plain political self-interest disguised as the public good.5

The controversy about the Newberry campaign spending arose before anyone worried about the free speech rights of candidates or contributors. So debate focused entirely on whether or how big-spending campaigns corrupted politics. Some politicians reacted to the Newberry campaign spending with real outrage. They meant what they said: they believed costly campaigns corrupted the electorate in subtle and obvious ways. Yet, if money provided a suspect advantage in winning office, what about fame? Surely it is at least as helpful as cash in amplifying a political message or promoting a candidate. So are many other advantages that have little to do with ability or statesmanship. Putting aside race, gender, religion, and ethnicity, they include good looks, a compelling speaking style, and, most commonly, the perks and recognition that flow from incumbency. The Michigan Senate race put the questions squarely: How
is money different from—actually worse than—other advantages candidates bring to campaigns? How exactly does it corrupt elections? Was money necessary to counteract almost perfect name recognition?

The questions lead back to the Congresses that passed the FCPA and debated changes to the law. The discussion of campaign finance reform featured soaring statements about the evils of money in politics but little engagement with substance. Critics who spoke raised quibbles or proposed tougher regulations. The promise was that campaign finance reform would make politics fairer and more representative of the people’s real wishes by allowing unbought candidates of ordinary means to succeed. No one piped up to publicly defend the general proposition that big-spending campaigns might be acceptable or necessary. Those arguments only emerged when the Senate considered specific cases such as Newberry’s. But drafting legislation that regulated something as fundamental to success on election days as campaign spending inevitably meant that congressmen considered their own interests and the prospects of their parties and factions. Democrats and insurgent Republicans, who anticipated some election day advantages, most loudly supported this round of campaign finance reform. But the votes for FCPA—the law and amendments passed in 1910 and 1911 and the 1920s revision—were usually unanimous. Congress managed both to signal disapproval of money in politics and to allow its members to adapt to the reality of ever more expensive campaigns.

The FCPA nonetheless had its uses in the 1920s, just not those mentioned in the legislation. Congress could investigate accusations of excessive spending while ignoring the pesky legal details that would be raised in a trial. Violators would escape the threat of jail time, true. But the odor of scandal might be attached to the target of investigation, and under perfect partisan conditions it was possible to deny a seat to a winning candidate whose spending threatened the honor and dignity of the Senate. The law need not force candidates to greatly change their campaigns, but capricious enforcement in the political branch was possible. Campaign finance reform proved to be a handy instrument of partisan and factional revenge for Democrats and progressive Republicans.

There was more to the FCPA and the Newberry case that tested and refined it than how well or poorly it contained the amount of money spent on
campaigns. Because the FCPA was embedded in a wider effort to remake politics, its implementation illustrates the ironic consequences of the new rules and how politicians responded to the new electoral realities. Progressive Era reformers supported efforts to shift power to the people and away from the parties and their rich allies with laws that included primary elections, the direct election of senators, and campaign finance reform. Historians and political scientists have pointed out that we should not take reform rhetoric at face value. Politicians who knew their business wrote and supported these reforms. They understood what political scientists later codified and theorized: the rules shape which candidates have the best chance to succeed.6

Yet neither reformers nor party bosses could completely anticipate the consequences of the new laws. Attempts to weaken the parties and give voters direct control increased the costs of running for office. Money had to be raised for the sorts of things that parties once provided: labor and effective communication with voters. Candidates running in primaries had to purchase their own publicity as well as workers, who might work in general election campaigns as a matter of course but had their hands out for primary elections. Those in tight races had to buy quite a lot. They competed against not only their opponents but also new heroes from the movies, boxing rings, baseball diamonds, and business in gaining the attention of the public, whose participation in politics had been growing more and more fitful. Candidates still used tried-and-true campaign staples for reaching and persuading voters, but they now supplemented speeches, rallies, and literature with advertising and, increasingly, film. Progressive Era election law required hefty campaign budgets while also apparently forbidding them.

When reports of big-spending campaigns surfaced, advocates of campaign finance regulations were outraged, or at least did a convincing imitation. The legal and congressional inquiries they launched allowed them to express their indignation but also provide an insider’s view of how reform had changed the business of electoral politics in the years between the party-centered nineteenth century and the candidate- and media-driven period later in the twentieth century. Primary races necessarily focused on candidates, not parties, and campaign managers competed for the best talent, experienced party workers, who in turn made their own calculations about fitness and electability. The FCPA limited candidates’ contributions, but their campaigns worked around the law by creating committees that handled fund-raising
chapter one

and spending. Most campaign practices would have been familiar to a late nineteenth-century political professional—producing literature, engaging organizers who figured out how to distribute it, and organizing speaking tours. But in keeping with the trend toward professionalization, managers with expertise in public relations and fund-raising, the forerunners of modern consultants, increasingly took control in high-stakes campaigns.

Part of what drove both the increased costs and the utility of professional campaign management was a new media environment. If most nineteenth-century newspapers worked in tandem with party organizations in supplying the message and the motive for voter turnout, the managers of primary candidates could not assume good—or any—coverage and had to hustle for it. During the first half of the twentieth century, newspapers occupied a bit of a golden age between the dominance of the party press in the nineteenth century and the competition from television after the 1950s. In the 1910s and 1920s, many editors continued to tip their newspapers in the direction of one of the parties, but they were independent, accustomed to relying on advertising, not political patronage, for their revenues. Political writers adopted an above-mere-politics, analytical style. The judgment of editors mattered. Newspaper stories were free advertising, and how writers and editors shaped or slanted reporting might sway voters. Because political coverage no longer occupied the column inches it did in the days of the party press, the value of speeches and campaign events lay in their ability to generate press more than in rallying the faithful. Managers and candidates (some of them newspapermen themselves) cultivated contacts to encourage positive spin.

They also communicated with voters directly through advertising. The advertising that the Newberry campaign bought in abundance struck some observers as doubly corrupt. It polluted voters’ minds, an argument that echoed the distrust of a gullible public that went back to the beginning of popular democracy. The spectacle of international enthusiasm for the Great War, ginned up by the propaganda of governments, deepened some social scientists’ and intellectuals’ doubts about public rationality. Progressives put great stock in generating impartial decisions grounded in facts, and in intelligent voters weighing evidence about public men and questions without the distortion of partisanship. Advertising imperiled the hope for a rational, impartial electorate. And it created a problem beyond its apparent power
to persuade. Did one source of such revenue—political advertising—destroy editors’ judgment, especially in primaries? Were their endorsements, which mattered a great deal in party primaries, for sale?8

The power of advertising—and therefore the power of money—was among the major issues in the Newberry seating controversy and the ones that came before and after. Yet, power and control of the political agenda were also at stake. Senators eyed close elections and campaigns that spent what members deemed too much because the underlying conditions had not changed: Republicans remained factionalized, and insurgent Republicans held the balance of power. Viewed from the Senate, 1920s politics was not a return to normalcy, unless normal is the sort of partisan and factional fighting that we associate with the post-Watergate years.

This book follows the controversy as it unfolded. It begins with progressive reform of the political process and the remaking of campaigns. It then moves through the locations where the Ford-Newberry conflict played out. The first place is Detroit, where the two men’s antipathy for each other began both in the city’s elite culture and in Progressive Era politics. Next is Michigan. The high stakes of the campaign, the presence of Ford, and the national spotlight—all in a state where the Republican Party was already factionalized—created the expense of the Newberry campaign and the desperation on all sides. The controversy at the end of the exceedingly close general election then moved to Washington, for a recount, argument before the Supreme Court, and Senate hearings. Newberry’s terrifically efficient campaign manager demonstrated what could be done even with a silent candidate who took no positions on issues. That might have been unnerving enough to sitting senators. The Newberry case invited them, all of whom now faced voters rather than state legislators, to play to the grandstands. The concluding chapter traces the fate of the FCPA, as federal campaign finance legislation mattered only in Senate hearings and then only through the 1920s.

In 1935, Spencer Ervin subtitled his book on Ford and Newberry The Famous Senate Election Contest. Fame proved fleeting. Unlike, for example, the Teapot Dome scandal, this case provided neither a neat morality tale nor a symbol for the period. Yet the case deserves new attention. My purpose is not to excavate a tale of the evil power of money in politics or to condemn the hypocrisy of campaign finance reform, although readers can find evidence for
both. It is to examine how politicians found their footing in a new electoral environment and created modern campaigns. Most of all, it is to pry apart two persistent strains in American political culture—suspicion of money in politics and suspicion of politics itself. For insurgent Republicans and Democrats, the investigations were one way of returning justice and purity to politics that had been corrupted and confused by money and party loyalty. For regular Republicans, the investigations violated a different sense of justice, one connected to the rule of law. And they described the investigatory fury as just politics—mere politics that covered mundane motives with a scrim of principle. The controversy may no longer be famous, but it outlines classic appeals to cynicism and principle in American politics and the blurry lines between the two.