

# CURRENT TOPICS

**I**N HIS MESSAGE to the New York legislature Governor Hughes objected to the adoption of the constitutional amendment providing for an income tax. He said: "I am not in favor of conferring on the federal government the power to lay and collect such a tax. I believe that this power should be held by the federal government so as to properly equip it with the means of meeting national exigencies. But the power to tax incomes should not be granted in such terms as to subject to federal taxation the incomes derived from bonds issued by the state itself or those issued by municipal governments offered under the state's authority. To place the borrowing capacity of the state and of its governmental agencies at the mercy of the federal taxing power would be an impairment of the essential rights of the state which, as its officers, we are bound to defend." The governor urged an amendment to the anti-racing laws penalizing the practice of bookmaking even though no bets are recorded.

**F**OLLOWING THE reading of Governor Hughes' message, State Senator Grady made a sensational attack on the governor. It was the governor's proposal to penalize the practice of bookmaking that aroused the ire of the senate minority leader to the point of attack. He declared that while the governor attacked the horse owner, the bookmaker and the man placing his bet upon a horse race, "he had never dared to attack the most monstrous gambling institution there is in the world, the New York stock exchange, and to the end of his career he will never have the courage to attack it." "Let me call your attention to the kid gloved way in which the governor handles Wall Street," continued Grady. "When he comes to speak of bookmaking it is gambling, public gambling and the distinction of gambling outside the track and inside the track have been obliterated; but when he comes to talk of Wall Street gambling, the only gambling with which he is personally acquainted, upon which he is an expert authority, then it becomes speculation, and he wishes to appoint a commission to inquire whether the most nefarious system of gambling which exists today in the state of New York, Wall Street gambling, can be reformed with advantage to the public. Now we did not abolish the distinction between the mean and miserable gambling of the bucket shop and the equally mean and miserable gambling in the broker's office, and the reason we did not do it was because of the influence of the governor's clients who are members of the stock exchange. He knows that the stock exchange is the biggest gambling institution in the world, driving men to suicide, robbing widows and orphans, playing with a stacked hand, playing with marked cards, and he doesn't dare lift a finger against it; but he would stand as the apostle of the public contempt for the gambling of the race track."

**A**N IMPORTANT financial deal was affected recently in New York City. A New York dispatch carried by the Associated Press tells the story in this way: "J. Pierpont Morgan, Thomas Ryan and Levi P. Morton linked hands in New York in a trust company merger which unites resources of \$150,000,000. It is a triple combination, bringing the Guaranty Trust company, the Morton Trust company and the Fifth Avenue Trust company, all of this city, under one head, with the title of the Guaranty Trust company. The merger is perhaps the largest of its kind in the United States. Directors of all three companies met today and informally approved the terms of the merger, which will be put in more definite form on Wednesday, when another directors' meeting will be held and the plan ratified by the stockholders, although a formal vote on the matter will not be taken until later. Levi P. Morton, who is president of the Morton Trust company and the Fifth Avenue Trust company—both known as Morton-Ryan concerns—has consented to act as chairman of the board of the merged companies, for which no president has yet been selected. The name of Alexander J. Hemphill, vice presi-

dent and acting president of the Guaranty Trust company, has been mentioned for the position, however. This new move in finance follows the recent absorption of the Guaranty Trust company by the so-called Morgan interests, but upon just what terms the merger was made was not disclosed today. The Guaranty Trust company was organized in 1891 and has total deposits of more than \$88,000,000. The Morgan Trust company, which was formerly the banking house of Bliss, Morton & Co., was organized in 1899. Thomas F. Ryan is vice president. Its deposits aggregate more than \$45,000,000. Like the Guaranty Trust company, its capital and surplus are \$2,000,000. The Fifth Avenue Trust company, founded ten years ago, is one of the better known uptown financial institutions. With a capital and surplus of \$1,000,000 each it has paid very large dividends in recent years. The capital stock of the new company will probably be fixed at \$5,000,000, with perhaps a like amount for surplus. It is believed that the merger will involve large stock and cash dividends to the shareholders of the three companies. The present headquarters of the Fifth Avenue Trust company will be retained as a branch of the combined companies, while larger offices will house the combined companies in the financial district. It was rumored that the Morgan interests had acquired the holdings of Thomas F. Ryan in the Morton Trust company, but no statement on this point was obtainable."

**C**HARLES W. MORSE, former "ice king" and banker of New York, is now in the federal prison at Atlanta. A press dispatch, referring to Mr. Morse, says: "He is registered as convict No. 2814, and tonight occupies a steel cell not in the least different from those to which are assigned several hundred other prisoners. His immaculate tailored garments gave way to a regulation suit of stripes, nor did the distinguished prisoner escape the Bertillon expert, the prison photographer, the regulation bath or the barber. Morse arrived from New York at 10:45 a. m., in charge of two deputy marshals, and accompanied by his friend and close business associate, W. P. Reid of Boston. He made no protest when the cameras of the newspaper men were trained upon him. He was placed in a cab and driven to the prison: Because he had not been vaccinated, Morse was not permitted to eat in the big dining room with his fellow convicts, and his first meal was served in his cell. The prisoner turned over to the prison clerk \$218 in currency. He was assigned to 'Class 1,' which entitles him to the privilege of seeing relatives or friends for thirty minutes in each two weeks of his confinement. Morse probably will be assigned to the tailor shop or be put to work on the construction gang. Mrs. Morse, formerly the wife of an Atlanta hotel proprietor, is expected here from New York tomorrow. After a conference with her husband, she will return to New York and begin trying to secure a pardon from President Taft."

**A**LONDON cablegram carried by the Associated Press says: "Premier Asquith, David Lloyd-George, ex-chancellor of the exchequer, John Burns, president of the local government board and other members of the government denounced A. J. Balfour's alarmist references to Germany, and refuted his accusations of the unpreparedness of the navy. Chancellor Lloyd-George, who received an ovation at Peckham, a district in London, described Mr. Balfour's speech as the last resort of a thoroughly desperate man, who saw that his cause was lost. Mr. Balfour had indulged in plucking the German eagle's tail feathers, and tall-twisting had become a discreditable practice, he said, even in America. He was sorry to see the leader of a great party and an ex-premier reduced to the extremity of following in the footsteps of the most discredited type of politician in the United States. Such talk was dangerous to the world's peace and a disgrace to British politics. Great Britain, the chancellor went on, had warred with almost every country but never with

Germany. On the contrary, she had generally had Germans fight side by side with her. During the past decade Great Britain had built nearly double the number of battleships constructed by Germany, but if the ratio were reversed he would not be afraid, because Great Britain had the men behind the guns. 'But,' he added, 'we will continue to build warships faster than Germany.'"

**W**HITELAW REID, the American ambassador, has been drawn into British politics. Sir Charles Walpole, the unionist candidate in Chertsey, made public use of a letter written by Mr. Reid on the subject of unemployed men in the United States. An Associated Press cablegram referring to this letter says: "The election agent for the opposing candidate has drawn attention in the Daily Chronicle to this, asking whether it is permissible for a foreign ambassador thus to interfere in politics. The Chronicle says that if the letter was published without the ambassador's authority, it is merely a local matter, but if Sir Charles has authority for its publication the matter will be brought to the notice of Sir Edward Grey, the foreign secretary. The letter referred to was written by Ambassador Reid in December in 1908. The Times describes the incident as a 'Mare's nest.'"

**T**HE POLITICAL meetings are attended by great disorder. One Associated Press dispatch describes some of the meetings in this way. "The Earl of Donoughmore and Lord Chylesmore, in attempting to address a conservative meeting in Coventry, found that the hall had been captured beforehand by the radicals, who hooted all the speakers down. The meeting broke up in disorder. A similar fate overtook Lord Rothschild at Wolverton, where a crowd of radical hooligans rushed the doors. Lord Rothschild stood for a long time facing a deafening boing and cheering, but was obliged to content himself by addressing the reporters. Sir William Bull, member of the house of commons for Hammersmith, while speaking before the electors of that constituency, was rudely heckled by a man in the crowd. He threatened to punch the man's head. 'Come on,' shouted the man. Sir William forthwith descended and the crowd formed a ring. A stand-up fight ensued until the police separated the combatants. Sir William, speaking of the affair, said he was none the worse for the encounter. 'There has been a great deal of unfair radical rowdiness lately,' he said. 'This affair may clear the air, as Englishmen like a fair fight and no fouling.' John Burns, president of the local government board, and labor leader in the house of commons, had a sharp mixup with an unidentified man as he was leaving a political meeting last night. The minister was about to enter his motor car when the man sprang upon him from behind and threw him to the ground. There was a lively struggle and exchange of blows until the police pulled the assailant away. In the excitement the offender escaped."

## CAPTAIN OF HIS SOUL

While Charles W. Morse, the New York banker, was in the Tombs he learned the poem "Invictus" by W. E. Henry and he took this poem with him to the federal prison at Atlanta. His friends say that this poem helped him to bear his burden:

Out of the night that covers me,  
Black as the pit from pole to pole,  
I thank whatever gods there be  
For my unconquerable soul.

In the fell clutch of circumstance,  
I have not winced or cried aloud;  
Under the bludgeonings of fate  
My head is bloody but unbowed.

It matters not how strait the gate,  
How charged with punishment the scroll;  
I am the master of my fate,  
I am the captain of my soul.