

second of these alternatives may be attained, but anything more impractical than the first can not be imagined. It is true that if the agitation were a mere party expedient the desired result might be brought about ultimately by repeated defeats of the offending party. Talking and writing would cease then simply because experience had shown that they were not good politics. But this agitation is carried on by men of intense convictions quite regardless of their party affiliations, and it is difficult to conceive of a time when many Americans will not be moved to the same course. For these men of strong, vigorous intellects have been forced to conclude that the fundamental principles of our government were being violated by such political relations as exist between the United States and the islands, and the situation must appeal to others as it does to them. Moreover, where a principle is thus involved the persistence of its professed devotees is certain, and, of course, their right to talk can not be questioned. If it were, that of itself would furnish sufficient evidence that certain American principles must receive a new emphasis."

Consumer and Investor

The Wall Street Journal, unquestionably the fairest and most independent of financial publications, prints an interesting editorial about "stock watering." One of the Journal's readers asked whether "stock watering" did not impose a burden not only upon the investors but also upon the public at large, requiring the masses to earn enormous dividends upon the increased stock. The Journal frankly admits that over-capitalization is an evil working injury to both investors and the public. It asserts, however, that "this evil could be removed if there was a proper system of publicity." The Journal says:

Under such a system the actual value might be \$1,000,000 and the capitalization \$10,000,000, but the investor being in possession of all the facts, would know that while the par value was 100, the real value was 10, and if he chose to pay more than that for the stock he would do so with his eyes open to the risk, in the hope that future developments would increase the value.

The Journal admits that when it comes to protecting the consuming public a more difficult question is presented. It contends, however, that publicity would remove the evil effects of the "watered stock" even in this direction. The Journal says:

This evil consists in the attempt that may be made to earn dividends on watered stock by unduly increasing prices or reducing the quality of service or goods. Theoretically, capitalization makes no difference to earning power. A company earning \$100,000 a year will earn \$100,000 a year whether capitalized at \$1,000,000 or \$10,000,000, and the consumer will be unaffected by the amount of the capitalization. But if the company enjoys a monopoly like a public service corporation, or the holder of a valuable patent, or if, by consolidations, it has obtained the virtual control of an industry, it may inflict widespread injury by attempting to earn dividends on watered stock. There can be no doubt that the public suffers in this way by reason of the public service corporations in this city. But if there should be a system of publicity that would reveal the resources of a company's income, the corporation would not dare, for long, to overcharge the public.

A thorough system of publicity would go far by way of protecting investors; but while the consuming public is injured by over-capitalization, consumers are more directly and more vitally concerned in the monopoly feature than in over-capitalization. Some of the most oppressive of trusts are not over-capitalized. Some of them are conducted by honest methods, so far as concerns the relations between stockholders. But so long as the power of monopoly exists in one of these concerns, it is not fair to say that "if there should

be a system of publicity that would reveal the resources of the company's income, the corporation would not dare, for long, to overcharge the public." The American people have a fair idea of the income of the Standard Oil trust, the income of the steel trust and the income of many other trusts; and yet, these concerns not only "dare" overcharge the public, but the trust magnates laugh in the very faces of the public. It will be remembered that Mr. Schwab said: "We can make steel rails at \$12 per ton, leaving a nice margin for foreign business." The steel trust charges the American consumer \$28 per ton for rails. Foreigners can purchase steel rails from the American trust for \$20.

Corporations created by law should be subjected to a thorough system of publicity, but as "private monopolies are indefensible and intolerable," trusts should not be permitted to exist, the monopoly should be destroyed and conspiracies in restraint of trade should be prevented.

The highwayman does not fear the gaze of the public if he knows that under that gaze he can escape with his plunder. What he fears is arrest and prosecution.

The trust magnate need not be greatly concerned as to publicity, so far as the interests of the consumers go, if the authorities are not to interfere with his plan of piling burden after burden upon the public; and so long as human selfishness exists men will take advantage of their monopoly privileges and the people will suffer just so long as the people's officials will permit them to suffer.

Let us have a thorough system of publicity concerning corporations for the protection of the investors. For the protection of the consumers let us have an honest enforcement of the Sherman anti-trust law; let trust-made articles be placed on the free list; let men who conspire in restraint of trade be denied the privileges of interstate transportation and the use of the mails; let the statute providing for the criminal prosecution and the imprisonment of men who through monopolies prey upon the people, be enforced against the most powerful of the monopolists.

A Cry From Boston

A Dayville, Conn. reader of The Commoner directs attention to an interesting editorial that appeared in the Boston Herald of September 22. That editorial is entitled "Fostering Socialism."

The Herald declares that the delegates to the democratic national convention were given "the assurance that the New York corporation and promotion syndicates, angry with President Roosevelt, would throw their influence for Judge Parker." The Herald points out that already many of these democrats are protesting that they were deceived and that these corporate influences are almost solid for Roosevelt. The Herald says that it is just as well to recognize frankly that the triumph of the so-called conservatives at St. Louis "has no elements of permanency if the reorganized democratic party fails of success in this election." The Herald then reads the corporation managers a stern lecture in these words:

The conservative and capitalist classes do not appear to be acting with the best discretion to preserve their ascendancy of influence in the country. The rally of the moneyed interests around the republican standard and their ownership of it, through their control of the senate, may serve their cause for a while, but the end of this course will be a desperate reaction. The politicians and the special interests that flourish by political favor may prosper temporarily, but they need to have a care. The men who are not rich and do not expect to be rich, who pay extravagant taxes and customs duties and bounties and subsidies, by which an artificial prosperity is maintained and stimulated, will some day discover what hurts them, and their revolt will be powerful and sweeping in its character.

In that day special and unequal privileges

will pay the price of their present riotous authority in the land, and there will be a reorganization of industrial and political conditions. In that day the money contributed by corporations will not carry elections, and it will not be difficult to arouse the people to take an interest in politics. Their interest will be as spontaneous as strenuous. Very likely it will do abundant mischief while it is feeling its way to the correction of injustice, but it will also prevent some mischief that is going on, a mischief of greed, corruption and betrayal of the real interests of the many to promote the extravagance of the few.

It is difficult to avoid the temptation to wonder why the Herald did not think of these things during the campaigns of 1896 and 1900. Then the trust influences and the corporation interests were solidly aligned with the republican party and we found even the great Boston Herald working enthusiastically with these influences.

Does the editor of the Boston Herald really imagine that he can frighten these trust magnates with any such warnings as these? For years, the men who are not rich and who do not expect to be rich have paid the extravagant taxes and customs duties and bounties and subsidies with hardly a murmur of protest. Special and unequal privileges have thrived and the victims of these special privileges have marched to the polls shoulder to shoulder with the beneficiaries and cast their votes accordingly. These beneficiaries really believe that the people will tamely submit to continued impositions. At least they are not to be alarmed by any warnings given by those newspaper editors who themselves so tamely submitted to corporation government in 1896 and in 1900.

Working For Peace

The delegates to the interparliamentary union called at the white house a few days ago and presented to the president a copy of the resolutions adopted at the meeting of the union recently held in St. Louis; the resolutions read:

Whereas, Enlightened public opinion and the spirit of modern civilization alike demand that controversies between nations be settled in the same manner as disputes between individuals are settled, that is, by the judgment of courts in accordance with recognized principles of law;

This conference requests that the several governments send delegates to an international conference to be convened at a time and place to be agreed on by them, for the consideration of the following questions:

First—Questions for the consideration of which the conference at The Hague expressed the wish that a future conference be called.

Second—The negotiations of arbitration treaties between the nations represented at the conference to be convened.

Third—The advisability of creating a congress of nations to convene periodically for the discussion of international questions.

And respectfully and cordially requests the president of the United States to invite all the nations to send representatives to such a conference.

The president promised to ask the nations to join in a second congress at The Hague. The first Hague congress did much good. While our country, England, Russia and Japan have all been engaged in war since the meeting at The Hague, the sentiment in favor of peace will grow until reason is substituted for force in the settlement of international controversies. Success to The Hague congress and more influence to lovers of peace throughout the world.

The Bradley-Martin Wedding

On another page will be found a Denver News editorial on the Bradley-Martin wedding. It is reproduced to show the extreme to which the love of display can be carried. Nothing does more to breed enmity between the rich and the poor than the vulgar show that some of the wealthy make of their money. It shows vanity, selfishness and indifference to those who are less fortunate.