

CURRENT TOPICS

THE tariff row on the canal is perhaps the most interesting of recent day developments. The Panama canal executive committee decided, with the approval of Secretary Taft, to buy in Europe not only ships but machinery and material for the Panama canal. Walter Wellman, Washington correspondent for the Chicago Record-Herald, says that this announcement "came like a Shimose bomb shell into the camp of the 'stand-patters' and high tariffites." Mr. Wellman adds: "The decision has been the sensation of the day in political circles. There is much talk among the high protection apostles of the republican party of appealing to President Roosevelt for a reversal of the decision, but there is little prospect that this will do them any good. The determination of the executive committee is understood to have the approval of the president, as well as of the secretary of war, and if the big wall builders do not like this blow at their favorite policy they will have to lump it. No one should understand that the determination of the executive committee is to buy all its ships, machinery and materials in foreign countries. Probably the great bulk of all purchases will be made in the United States. But the decision of the committee is that it will buy where it can buy cheapest. If it can get the lowest prices in the United States, it will purchase here; if foreign manufacturers and dealers underbid American sellers the contracts will go abroad."

IT IS not surprising that Secretary Taft's order has created consternation in the ranks of the champions of protection. Mr. Wellman says: "On the face of it this looks like nothing more than good business policy. But it does not please the high tariffites at all. They look upon it as rank heresy. They perceive, as everyone perceives, that it raises the whole tariff question, and raises it in a manner calculated to give far more comfort to democrats and independents and tariff reformers than to those who have helped push up the walls and who have made exclusion of foreign trade in any form an article of party faith. It will be a long time before the Panama commission and the country hears the last of the storm brewed by this important decision."

MANY of the comments on the Taft order are decidedly interesting. A member of congress, interviewed by Mr. Wellman, says: "For generations we have been teaching that it is better to buy at home, even if we have to pay a little higher prices, because that is for the general good. That is the very essence of the protection doctrine. Yet here comes the government and says it is not willing to abide by the practice of the country. It will break down the rule to which it is at least morally a party, and will buy abroad whatever it can buy there cheaper than at home. In other words, you and I can't go into the world's markets and buy where we can buy cheapest. The tariff prevents us. But the government, having no duty to pay on what it imports into the isthmus, announces its intention to go into the world's markets and save all the money it can. A fine example indeed for a government to set in a protection country! What are we coming to anyway?"

A UNITED STATES senator, evidently devoted to the republican party's protection theory, said that he could hardly credit the statement that a commission, acting under the republican party proposed to purchase a considerable amount of supplies abroad. And another senator, who, according to Mr. Wellman, "stands high in the republican party," said that Mr. Taft's action was "highly unfortunate and certain to bring the republicans face to face with the tariff issue in its keenest form." This senator added that Taft's order would give the democratic party "just the weapon it most badly needed in its fight against the protective tariff system."

REPRESENTATIVE GROSVENOR of Ohio is reported to be "much disgusted." While declaring that he does not care to pose as a critic of the administration Mr. Grosvenor says: "We have built up the policy of the protective tariff in this country on the basis of higher prices. Those prices were higher because we paid our labor better

wages. People have become more cognizant every year of the benefits of that policy, and understand the reason for higher prices. The country would rather pay a little more for something that was made at home, furnished employment for home folk and gave them better pay than their more unfortunate neighbors abroad enjoyed. If the government is to be the complainant against the prices that are the result of this employment of American labor at American wages, it will certainly furnish a theme for some very interesting deliberations over the tariff."

THE facts leading up to the Taft order are stated by Mr. Wellman in this way: "Chief Engineer Wallace reported to the commission that in addition to the regular ships now running in the Panama Railroad line between New York and the isthmus at least two vessels would soon be needed to carry supplies and materials for the canal work. No suitable American ships could be bought at any reasonable price, and when he came to inquire into the matter Secretary Taft found that to build ships in this country would cost about twice as much as to buy them abroad. Two 6,000-ton steamers would cost \$1,400,000 in this country and could be bought abroad for \$750,000. Neither the secretary nor the members of the executive committee could see any good reason why the government should lay out two dollars when one dollar would do just as well. As to supplies and machinery, it is not believed that much will be bought abroad. It is understood that the executive committee wished to serve notice upon American manufacturers and dealers that if they wished to do business with the canal management they must be prepared to cut their prices. It is hinted that efforts were making to induce the government to pay the same prices that other purchasers have to pay. But the government agents are determined to have at least the export price. For instance, it is known that the steel rail pool has asked the commission for rails for double-tracking the Panama railroad a price several dollars in excess of what the same pool has sold the same rails for in foreign markets. The government wants the advantages of that lower price and is determined to have them."

BUT even if most of the supplies and machinery be finally purchased in this country at the lowest possible of export prices, the champions of high tariff say that "the damage is already done." Mr. Wellman explains: "The action of the government serves as confirmation strong as holy writ of the cry which the democrats and the tariff reformers who are not democrats set up in last year's presidential campaign. Voluminous pages of last year's republican campaign text-book were devoted to meeting this argument of the enemy that American manufacturers deliberately sell abroad cheaper than they sell at home, and that home consumers are entitled to at least as much consideration as foreign consumers. At that time it was not expected the Roosevelt administration itself, in whose behalf all those ingenious arguments were compiled, would be the first to establish the truth of the democratic position. When congress meets again the high tariffites say the democrats will be sure to make the most of the opportunity which this canal affair has thrown their way, and they are at a loss to know how to meet the looked for onslaught. Apparently events are conspiring to bring the tariff question very much to the front during the coming winter."

THERE is considerable criticism concerning the character of testimony called for by the senate rate investigating committee. Railroad lawyers, large shippers who are suspected of standing high in the favor of rate-making officials, and politicians who have generally been opposed to any regulation of corporations are conspicuous among the witnesses. The facts are well stated in an editorial in the Lincoln (Nebraska) Evening News, a republican paper from which editorial this extract is taken: "The farcial character of the hearing before the senate rate investigating committee is evident from the names of the men who are being summoned before it from Nebraska. Every one of these men who has so far appeared before the committee from this state belongs in

the class of big shippers, men who are in position, by reason of the large shipments they control, to compel the railway companies to give them lower rates than their competitors receive. Does anybody who knows the practices that prevail in the shipping world believe that these men do not exercise the power they possess to secure secret and lower rates? Look at the list: H. G. Leavitt, beet sugar magnate and partner of General Manager Holdrege in various enterprises; T. B. Hord, the largest cattle feeder and individual shipper in the world; Peter Jansen, one of the largest sheep feeders in the west, and Frank H. Gilchrist, a big shipper of lumber and owner of a line of yards along favoring railroads. Why are these gentlemen satisfied with existing rates? Why should they oppose any reduction in the charge, that they must pay for the carriage to market of what they have to sell? Does any sane man believe that they wouldn't be very glad to have rates lowered if they were paying now the same as every other shipper of cattle, sheep, or lumber? Doesn't the fact that these gentlemen are so anxious to maintain existing conditions, under which it is possible for rebates and secret rates to be given, present reasonable grounds for the suspicion that they are now the recipients of favors from railroads that competitors who, by reason of their smaller shipments, are unable to secure?"

A CORRESPONDENT for the Baltimore Sun, writing from Columbia, S. C., where the Southern Conference for Education was recently in session, gives a review of the work done and now being done in the south in the interest of public schools. In substance this correspondent says that in North Carolina a state-wide agitation for education was conducted two years ago, and, as a consequence, the schools are being greatly improved and the state has a loan fund for the erection of new school houses. There are now more than 1,000 school libraries, whereas a few years ago there were practically none. Many of the districts have voted for local taxation to improve their schools. The new agricultural building at the Agricultural and Mechanical college, at Raleigh, is one of the finest of its kind in the country, while the new model dormitories and other improvements at the state normal college, at Greensboro; the new buildings at the state university, and many other colleges, show notable improvement."

THE honor of the origin of the railway postal system belongs to the great state of Missouri. The Missouri legislature appropriated \$1,000 to pay for a marble tablet to be placed in the St. Joseph postoffice in honor of Wm. A. Davis, the man who devised the plan of distributing the mail on trains. Mr. Davis was born in Kentucky. For twenty-five years he worked in the postoffice at Richmond, Va. He went to St. Joseph, Mo., in 1855. He was appointed postmaster at St. Joe by President Buchanan.

IT IS claimed that Major W. W. Armstrong of Cleveland, Ohio, who died recently, was the inventor of the rooster as the democratic emblem of victory. A writer in the Washington Star, referring to this claim, says: "It is a mistake, for the gamecock was made to crow for democratic victory when Major Armstrong was just entering his teens. I have heard that a democratic senator in congress from Indiana first suggested it in a letter to one of his constituents when it was definitely ascertained that Polk had beaten Clay in 1844. The language of the letter was: 'Tell Chapman to crow.' Chapman was the editor of the local democratic organ, and his next issue contained the first democratic rooster crowing over the vanquished whigs. But Major Armstrong was the hero of a democratic rooster story. I believe it was in 1883. Hoadly was the democratic candidate for governor and Foraker was his republican competitor. Armstrong was the editor of the Cleveland Plain Dealer, but did not have much hope of success. The Sunday evening before the election he had a conversation with a republican friend noted for his skill, or luck, as a prognosticator of popular verdicts and was told that, in the opinion of the seer, the democrats would prevail. 'If they do,' said Armstrong, 'chickens will be awful cheap in this town on Wednesday morning,