

THE LINE IS PLAINLY AND DISTINCTLY MARKED

The managers of the railroad literary bureau and others who protest against railroad regulation advance the same arguments against which that eminent lawyer, Jeremiah S. Black, contended in a speech delivered in 1883. Mr. Black dealt with "the duties of corporations as public servants," and we are told by one authority "it is doubtful if any other speech on a technical question of law and industrial economy ever produced effects so profound and far-reaching."

Note the similarity between the arguments of the railroad literary bureau of today, and the contention of the railroad magnates of Mr. Black's time. Referring to these railroad claims, Mr. Black said:

They assert that the management of the railroads, being a mere speculation of their own, these thoroughfares of trade and travel must be run for their interests, without regard to public right. If they take advantage of their power to oppress the labor and overtax the land of the state; if they crush the industry of one man or place to build up the prosperity of another; if they plunder the rich by extortion, or deepen the distress of the poor by discriminating against them, they justify themselves by showing that all this was in the way of business; that their interest required them to do it; that if they had done otherwise their fortunes would not have been so great as they are; that it was the prudent, proper, and successful method of managing their own affairs. This is their universal answer to all complaints. Their protests against legislative intervention to protect the public always takes this shape, with more or less distinctness of outline.

May we not, referring to these same claims, use the language employed by Jeremiah Black when in that same speech he said: "In whatever language they clothe their argument, it is the same in substance as that with which Demetrius, the silversmith, defended the sanctity of the temple for which he made statues: 'Sirs, ye know that by his craft we have our wealth.'"

GIVE THE PEOPLE RELIEF

In an editorial entitled "Bryan and the President," the Wall Street Journal says:

Admitting that the president has adopted a Bryan idea, that is by no means a new thing in politics. The conservative party in England has repeatedly adopted policies first advocated by the liberals. Besides, the policy of government rate regulation is older than Mr. Bryan. He can not lay claim to having invented it. It is a policy that has sprung up naturally out of the needs and desires of the people.

The people are not greatly concerned whether one man or another has advocated a desirable plan. They want relief from imposition. President Roosevelt has promised to give them that relief along the lines which, as it happens, were laid down in three successive democratic national platforms, and which, as it happens, democrats generally have for many years earnestly advocated.

It is a good sign that in the proposition to enlarge the powers of the interstate commerce commission, giving that body authority to regulate railroad rates, Mr. Roosevelt finds his strongest supporters among democrats.

Republicans having no axes to grind but desiring that policies shall be adopted which will result in the greatest good to the greatest number do not, and will not, raise the criticism that the president has adopted a democratic measure. That plea is made by representatives of special interests, and it is made for the purpose of arousing the partisanship of republicans in the hope that the president will be discouraged by finding that he does not have the support of the members of his own party.

It is natural that democrats should be gratified when the foremost man in the opposition party, in an effort to give the people relief, has adopted democratic policies. It is natural that democrats generally should express gratification that long ago they adopted the plan now championed by a president elected as a republican.

But if President Roosevelt puts this plan into execution, if he shows himself strong enough to withstand the powerful influences which, according to former Senator Chandler, are now being

It would be difficult to make better answer to these claims than that given by Mr. Black himself, and it would be well if every American citizen could read Mr. Black's speech in full.

Mr. Black laid down the doctrine that "the management of the railroads is not a matter of business to be conducted like private enterprises, merely for the profit of the directors or stockholders." He cited an opinion rendered by the supreme court of Pennsylvania, where it was determined that a railroad is a public highway and in no sense private property, and that "the corporation authorized to operate it is a servant of the state, much as an officer legally appointed to do any other public duty; as strictly confined by the laws and as liable to be removed for transgressing them;" and he said that no judge "whose authority is worth a straw" ever denied the doctrine for which he contended, the United States supreme court having affirmed it in scores of cases.

Because of the vast magnitude of the affairs intrusted to the railroad magnates, and the terrible temptation to which their cupidity is exposed, Mr. Black said that it was necessary that the people "hold them to their responsibilities, and hold them hard." He averred that a corporation intrusted to do a public duty must perform it with an eye single to the public interest, and that partiality or extortion should no more be tolerated on the part of the railroad official than when practiced by any other public servant.

"The people," said Mr. Black, "have rights of property as well as the corporations and ours are—or ought to be—as sacred as theirs. Between the great domain which we have ceded to them and that which still belongs to us, the line is plainly and distinctly marked, and if they cross it for purposes of plunder they should be driven back under the lash of the law."

Mr. Black showed that it is the duty of the state to open thoroughfares of trade and travel through her territory; that for that purpose she may take the property of citizens and pay for the work out of her own treasury; that she may

make that thoroughfare free to all comers or reimburse the cost by levying a special tax upon those who use it; that she may authorize the road to be built by a corporation or an individual and pay for it by permitting the builder to collect tolls; that she may empower a natural or artificial person to do this work, but that "in all cases the proprietary right remains in the state, and is held by her in trust for the use of the people."

Mr. Black said that the railroad corporation is charged with the duty to see that "every needed facility shall be furnished to all citizens, like the justice promised in Magna Charta, without sale, denial or delay." And because such services, if faithfully performed, are important and valuable, the corporation is authorized to pay itself by levying upon all who use the road a tax, or toll, or freight sufficient for a fair compensation. He added: "But this tax must be reasonable, fixed, certain and uniform, otherwise it is a fraud upon the people which no department of the state government, nor all of them combined, has power to legalize."

Mr. Black described the contempt shown by the railroad monopolist in his day just as it is shown today. He said that the corporation influence in official circles is "mysterious and incalculable," and that upon the subject of a popular demand for the enforcement of law "the press is shy" and the politicians are eager to take a smoother road than that which leads to conflict with corporation chiefs.

Referring to railroad impositions, he said: "They have destroyed the business of hundreds for one that they have favored; for every millionaire they have made ten thousand paupers." He pleaded for the enforcement of existing laws and the enactment of new ones that would provide adequate protection to the public, saying that every one of these railroad magnates "can be trusted to keep clear of acts which may take him to the penitentiary."

Mr. Black concluded that if these men knew that a continuation of impositions upon the public meant imprisonment in jail "they would no more rob a shipper on the railroad than they would

vigorously used in the president's confidential circles, democrats and republicans and men of all parties, will cheerfully give to Mr. Roosevelt the great credit to which he will be entitled.

In the meantime democrats everywhere must extend to the president all the encouragement they are capable of giving, and the least that men of his own party can do is to support him with equal vigor.

McCALL AND HIS "TRUST"

John A. McCall, president of the New York Life Insurance company, who has confessed to the contribution of large sums of money to the republican campaign fund, explained that in 1896 he made up his mind to do all in his power to defeat the democratic ticket, adding: "I had no idea in my mind about politics at all, but I had a duty and a trust regarding the New York Life policy holders."

Judging from other portions of Mr. McCall's testimony and other revelations concerning the conduct of his insurance company, it would seem that Mr. McCall was not quite so particular "regarding the New York Life policy holders" when it came to the expenditure of enormous sums of policy holders' money, without the sanction or authority of any one other than John A. McCall.

AVENUES OF USEFULNESS—BANKING

The care of other people's money is to many an attractive occupation. It is a danger to the individual and a detriment to the public to have money hoarded. If one is sure that his money is secure it is better to deposit it in a bank without interest than to keep it at home but the money can be loaned to such advantage that the bank can afford to pay interest. The banker occupies an important place in a community and can render great assistance as an advisor.

The temptation peculiar to the banker is speculation and it is the temptation against which he must steel himself. No one who handles trust funds can afford to speculate in grain or stocks or anything else. Until all gambling is stopped there ought to be a law making it a criminal offense for any one acting in a trust capacity to speculate. It is not sufficient to wait until a

turn in the market has revealed his misuse of trust funds. Many a banker would have been saved from disgrace and some from death had there been such a law. The greatest danger in banking is that it may harden the heart. The banker becomes accustomed to hard luck tales as a butcher becomes accustomed to blood and he is likely to lose compassion. The man who most needs money is the very one who finds it most difficult to borrow and the fact that the banker is handling other people's money makes it impossible for him to indulge his sympathies as freely as he might do with his own means.

To make banking absolutely safe ought to be the first object of the banker. There is profit enough in banking to permit of legislation making the depositor absolutely secure and it is probable that the money that would be drawn from hoarding by such legislation would more than compensate for any burden imposed.

The banker like every other business man is the servant of the community and he can as a faithful servant win an enviable position among his fellows.

AN INCOME TAX, TOO

That staid old republican newspaper, the Nebraska State Journal, talks as though it was half sorry that the republican party had not appropriated the income tax policy of the democratic party. It says, editorially:

"In European countries the graduated income tax is not and probably never will be pronounced popular with the ones who are pinched by it, but it stands nevertheless and is accounted a just and necessary method of maintaining the needed public revenues. In some countries the possession of children entitles a taxpayer to an abatement. For instance, Prussia and Norway make 'an additional special reduction' on incomes under \$450 for each child under 14, and on incomes under \$2,375 for continuous illness, special misfortune, maintenance of poor relations, and even debts. Most countries levying an income tax recognize a 'minimum of subsistence,' which is allowed as an exemption. These exemptions are as follows: Prussia, \$225; Saxony, \$100; Austria, \$250; Holland, \$270; Norway, \$90; Sweden, \$120, and Great Britain, \$800."