

CURRENT TOPICS

THE CHICAGO NATIONAL BANK, the Home Savings bank and the Equitable Trust company, three financial institutions controlled by John R. Walsh, famous as a financier, and well known particularly to democrats as the owner of the Chicago Chronicle, went into liquidation Monday, December 19. The members of the Chicago Clearing House came to the rescue and guaranteed the payment of all deposits, and as fast as depositors called for their money they were paid. It is claimed that the liquidation of these institutions was made necessary because of the extraordinary loans made to John R. Walsh, who has been heavily interested in many financial, railroad and other business ventures. Mr. Ridgley, the comptroller of the currency, and the Illinois state banking department were bitterly criticised for not long ago taking action with respect to these institutions. Because of the action of the clearing house all deposits will be paid in full, but it is believed that John R. Walsh's career as a frenzied financier is practically at an end.

SENATOR DOLLIVER of Ohio has introduced in the senate a bill which is known as the administration's railroad rate measure. Under the terms of this bill the interstate commerce commission is empowered to fix reasonable rates when complaint has been made, the same to go into effect within thirty days. The membership of the interstate commerce commission is increased to seven, each member to be paid a salary of \$10,000 per year. Referring to this bill Senator Foraker says that it will not stand the constitution test and must therefore meet defeat.

SENATOR TILLMAN recently charged that Mr. Shonts, chairman of the Panama canal commission still held his place as president of the Clover Leaf railroad. It was alleged that while Mr. Shonts draws from the government \$35,000 per year as chairman of the canal commission, he draws from the Clover Leaf Railroad company \$25,000 as its president. Washington dispatches announce that an attempt would be made to hold up the confirmation of Mr. Shonts on the ground that he is holding dual positions, but that President Roosevelt and his friends would exert all their influence to bring about the confirmation in spite of the exposures made by Senator Tillman.

HENRY A. CASTLE, formerly auditor of the postoffice department, has written for Harpers Weekly an interesting article in which he refers to the postoffice department deficit. Mr. Castle says "In the United States last year the enormous sum of \$46,000,000 was paid the railroads for transportation of the mails, of which sum \$5,000,000 represented that inexcusable and scandalous graft, the rent of mail cars, under which item more is paid annually for the bare use of the cars than the cars cost in the first place." Commenting on this statement the Detroit Journal says: "With this graft eliminated the treasury statement this year would show, instead of a deficit of \$28,000,000, a surplus of \$12,000,000 or \$13,000,000 even admitting that exorbitant express rates were paid on mail matter."

CORRESPONDENCE between President Roosevelt and Attorney General Moody recently made public, relates to the Santa Fe rebate cases, and Paul Morton's whitewashing. The president evidently feels the weight of the criticism of his action with respect to Paul Morton, and he takes pains to emphasize in his letter the theory that Judge Phillips' opinion upholds the president and the attorney general in the view they took. Commenting upon this correspondence Judson Harmon, who was one of the special counsel for the public in the rebate case said: "The president and the attorney general seem to be congratulating each other because the government lost its case against the Santa Fe Railroad company. If they were always so certain there was nothing in the case, I do not understand why they turned it over to Mr. Judson and myself. The interstate commerce commission found and reported that the company had for years flagrantly broken the law against

rebates. We refused to believe that the corporation had slipped out of nights and handed over the rebates, while the officers in charge of its traffic were abed. We proposed to proceed against them accordingly. This course was disapproved, and we thereupon resigned. The president then proceeded himself to hold a 'bed of justice' and have a trial by letter. He announced what was a cross between a judgment of not guilty and a pardon, in which the attorney general concurred. If, after that, anybody expected anything from the further prosecution of the case that person is now disappointed. I do not know whether Mr. Judson and myself would have fared better or not, but I do know that it is not a good way to win a case to proclaim that one knows himself there is nothing in it, and then put it in charge of an advocate who is naturally supposed to hold the same view."

MANY REPUBLICAN leaders would like to say some severe things concerning Mr. Roosevelt, but former Governor Odell of New York is the only one that had the courage to break the ice and parenthetically it may be remarked that Mr. Odell completely shattered the ice. A contest is on in New York between E. A. Merritt, Jr., and J. W. Wadsworth, Jr., for the speakership of the New York State assembly. Governor Higgins has declared for Wadsworth, and while the governor says that President Roosevelt did not originate the Wadsworth boom, Mr. Roosevelt has through an authorized spokesman declared that Mr. Wadsworth is an ideal candidate and that it would be the best possible thing for the party and the state if he were elected. On December 21 former Governor Odell issued a red hot statement in which he charged President Roosevelt and Governor Higgins with a deliberate attempt to wreck the republican party in New York state for their own personal ambitions.

MR. ODELL says that soon after the election Gov. Higgins agreed to support Merritt, Odell's candidate for the speakership, and referring to what he calls Governor Higgins' "trolley switching" Mr. Odell says: "This is the worst case of duplicity in politics I have ever known. Merritt is absolutely right in saying that the governor agreed to support him. He offered to the governor to stay out of the contest if the governor wanted him to do so." Mr. Odell says that if President Roosevelt had the good of the party at heart he could have sent for him (Odell) any time and the latter would have been glad to confer with him for the sake of obtaining harmony in the party. He then bluntly says: "I charge President Roosevelt and Governor Higgins with deliberately trying to wreck the party in this state for their own personal ambitions. If this means party disaster, they, and not I and my friends, are responsible. They, and not I, are to blame."

MR. ODELL says some pretty severe things concerning Mr. Roosevelt. He declares that Mr. Roosevelt authorized him to come out for Governor Black for senator to succeed Chauncey M. Depew and that it was the use of the president's influence against Black subsequently which led to defeat. Mr. Odell says: "I went to Washington to see the president and have a talk with him about the New York political situation which we had in the fall of 1904. The question of the senatorship came up and the president said it was a pity to have the state of New York represented by two almost senile old men. 'New York,' he said, 'ought to have some man to speak for it on the floor of the senate who would command attention and reflect credit on the state.' He said that Governor Black was the kind of a man who should represent the state. I asked him if I was to infer from his remarks that he would like to see Governor Black elected to succeed Mr. Depew. He said he would. 'Then you wish me to be for Black?' I asked. 'I hope you will,' he replied. I told him that I would. I came back to New York and saw Governor Higgins, and told him what the president said and Higgins endorsed it all. We were making great headway when Senator Platt called a conference in the interest of Depew. That conference was practically dominated by the friends of the president and the governor. All declared for Depew as against

Black. I was amazed. When I convinced myself that the president and governor were not willing to stand for the proposition which each of them had asked me to carry out, I concluded that I would not stand for it alone."

THERE IS CONSIDERABLE opposition to joint statehood between Arizona and New Mexico. The Arizona people are sending out protests in which they say that 99 per cent of the people are opposed to this union. They say that it would be impossible to adopt such a code of laws as would meet the conditions in each territory yet would be just to the whole people of the proposed state. Replying to a claim made by Senator Beveridge that the boundary line between the two territories crosses a sandy plain easily traversed by railroads and wagon roads, the Arizona people say: In reality, the settled communities of Arizona are separated from those in New Mexico by hogback mountain ranges, many of which are 7,000 feet above the sea level and form probably the roughest mountainous district in the United States. From Yuma, Arizona, to Santa Fe, New Mexico, the proposed capital of the new state, is 791 miles by the nearest route. It requires thirty-two hours to make the trip, and the fare one way is nearly \$40. There is not a town in Arizona of any size that is nearer to Santa Fe than 400 miles. The area of Arizona and New Mexico is greater by 10,000 square miles than that of the New England states and California combined. New Mexico has twice the voting population of Arizona, and a majority of the voters are of an entirely different race, a race as different from ours as oil is different from water.

SENATOR BEVERIDGE claimed that Arizona has no sufficient resources, developed or undeveloped, and never will have a sufficient population to justify statehood within her present boundaries. Replying to this the Arizona people say: The mountain ranges which separate Arizona from New Mexico are largely unexplored, yet, besides the large production of precious metals, Arizona ranks second in the production of copper, and next year will probably rank first. Such mineral wealth is inexhaustible. The pine forests of Arizona cover an area of over 12,000 square miles, and there are nearly 14,000,000 acres of grazing land. The federal government has under construction and in contemplation reservoirs for the storage of irrigation water which will supply 520,000 acres. The Tonto reservoir within two years will irrigate 200,000 acres in the Salt River valley alone. This area is equal to all the irrigated land in southern California north as far as Santa Barbara, which supports Los Angeles and many other large cities. The people of Arizona do not ask for statehood; but with these undeveloped resources and with a progressive population, largely from the northern and eastern states, the time will come when the whole people of the United States will demand the admission of Arizona as a single state within her present boundary lines. Union with New Mexico now would be an outrage. We would lose our identity and become subject to the domination of people different in race, with different laws, industries and ideals.

RECENTLY THE PEOPLE at Boston met in Faneuil Hall to protest against an order made by Secretary of the Navy Bonaparte with respect to the warship "Constitution," known in literature as "Old Ironsides." Secretary Bonaparte ordered that this vessel be towed out to sea and sunk. Referring to "Old Ironsides" a writer in the Lincoln (Nebraska) Journal says: The Constitution was 108 years old on the 21st of last October. She was first put to sea in 1798 in expectation of engaging in the fighting with France which seemed imminent at that time. She was Admiral Preble's flagship during the wars with the Barbary pirates in the first years of the nineteenth century, and helped three times to bombard the city of Tripoli. Under Captain Isaac Hull and his immediate successors the Constitution, which by that time was popularly called "Old Ironsides" because of the hardness of her plankings and timbers, made the remarkable record on which her fame rests. Her first great success in this war was the negative feat of