

## Washington Letter

Washington, D. C., August 12.—The railroad situation in the south must be sorely perplexing to some publicists who, speaking incidentally for the railroads themselves, have denounced centralization and pleaded for the return to states' rights. "Back to the constitution," shouted Henry Watterson, fearing that the growing tendency of the federal government to control the roads would affect securities and the prosperity of the rich. The New York Sun, partial to Wall Street, inveighed bitterly against Mr. Roosevelt's actions and Mr. Bryan's policies and demanded that the nation should keep hands off of matters which the states themselves should be permitted to regulate. The New York Times inveighed against those who would take away from the states their sacred rights and confer them upon the nation.

Well, what has been the result? In North Carolina Governor Glenn has won his fight; in Virginia Governor Swanson is just beginning his with all the added strength that Glenn's victory gives him. Alabama has won its battle. Georgia practically won its battle when it elected Hoke Smith governor. Texas and Mississippi are ready to take up the struggle against railroad aggression.

Now mark. All the impassioned pleading against centralization came from well known corporation organs. They were right in their arguments but they did not know it. They thought that by transferring the battle of the railroads against the people from the national capital to the comparatively weak state governments, they could protect their clients. What they did not figure on was the fact that the state governments are close to the people and that when a question of vital importance to the whole community is referred direct to the voters and pressed with vigor and honesty, the decision is apt to be in accord with the popular temper. So greatly has the south suffered from railroad extortions and railroad politics, that not a state thus far in which rate reduction and stringent regulation has been made an issue has failed to decide in favor of both. Florida might, for there two railroads divide the state and most of its press between them. But there is scarcely another southern state in which an anti-railroad campaign would not at present mean success.

The recent announcement from the railroad sources which control the coal output that the price of coal will be raised this winter, at once suggests the pertinent query, what has become of the government prosecution of the coal trust cases? Certainly it would seem that four or five years were a sufficient length of time for a "strenuous" administration to bring certain violators of the federal anti-trust laws to the bar of justice. It was away lack in 1902, at the time when the gigantic contest between the miners and their employers was impending, when Mr. W. R. Hearst collected detailed information and evidence showing that our coal resources were monopolized by a trust that was illegally restraining trade. Whatever became of the suit Mr. Hearst then instituted, probably he or the administration can say. But nobody else can. The coal trust has already, despite the "divine right" theory of one Baer, been forced to recognize the rights of its employees to a certain extent. It almost brought industrial paralysis upon the country for the mine workers to win a clearly fair contention. Probably it will take something in the nature of a physical paralysis, which the coal magnates might suffer if they were properly imprisoned, to bring them to a realization of the rights of the public.

In our modern industrial system there are three parties vitally concerned—the capitalist, the laborer, and the public. The two first are well able to take care of themselves, even if they have to fight for their rights. They are organized, and are aggressive. But the poor public is evidently forgotten. It is difficult for consumers to co-operate for their own protection. The laborers, in the mining industry, rightly strike for higher wages, shorter hours, and better working conditions. No humane person can visit the mining camps and not sympathize with the mine workers' demands. The coal barons fight the contentions of their employees as long as possible. Of course sometimes the worker is unfair. But the barons are always defenders of the treasury. When forced by public sentiment and self-interest to give in, they get even with the people by raising the price of coal.

Whether this rise of prices is just or not depends entirely upon what the coal trust is able to earn on its investment. Nobody objects to a capitalist earning a fair profit, even a good one. Capitalistic enterprise must and should be encouraged. But no profit for capital that is so large that it spells fabulous wealth for a few coal barons, and starvation wages for their workmen, and a struggle to make ends meet by the public is right. The workmen are organized, and are slowly but surely demanding their full share of the wealth they help to produce. The public, on the contrary, is practically at the mercy of the trust, unless the government steps in and conserves their rights as it should do. It has taken our present "strenuous" administration, over four years to begin to step in. Probably after the cases are heard the coal barons, like other trust offenders, will be fined a large sum and admonished. Then up will go the price of coal, and the fine will be collected out of the pockets of the people. Somebody will laugh, but it won't be the general public. There is only one practical method left to the federal government to obtain obedience to its criminal statutes, namely, to make the imprisonment clause a reality, not a joke, and send the big violators of the law to jail just as we send the small. But when has the present "strenuous" administration done this in any signal case? When is it going to do so? Probably, after the tariff is revised in 1909.

The fact of how far a monopoly will go to roll up a clearly unconscionable dividend, is presented by the recent sum paid its stockholders of the Adams Express company. A \$24,000,000 melon was cut, just as about nine years before a \$12,000,000 melon was served in much the same manner. Yet this company has besides this enormous profit, paid its stockholders about eight per cent annually on their investment. And now after nine years they add to it an accumulated dividend that amounts to a 200 per cent profit on their stock.

One of the most humorous episodes of this melon cut is the protest of the minority stockholders, that the company is still holding back a huge fund which the ring on the inside are accused of having an evil intent to spirit away. These irreconcilables have written a letter to their fellow shareholders that certainly needs explaining by those who control the company. There is evidently "something rotten in Denmark" somewhere. "Where there is smoke, there is fire."

But what is the express company's attitude toward the public? Read the case of the Society of American Florists against the United States Express company, wherein it was charged before the interstate commerce commission that this company had unreasonably and unjustly raised their rates on cut flowers from Jersey points to New York City. The rate charged till July, 1906, was fifty cents per 100 pounds. It was raised to \$1.00 per 100 pounds, or 100 per cent. After hearing this case, the commission compromised with an express company, reported to have a \$24,000,000 melon of its own to cut, and it allowed this company to charge ten cents more to the shipper than previously, or sixty cents per 100 pounds, an increase of twenty per cent over the old rate. A fine compromise by the interstate commerce commission!

The melon cut of the Adams company was nicely timed because by the end of June under the rate law the express company must for the first time as a common carrier have made a detailed report of its affairs to the interstate commerce commission. The 200 per cent dividend has been so manipulated as to make this enormous addition to the company's liabilities of great possible value. For now when the express company's customers complain of excessive charges, and the interstate commerce commissioners listen sympathetically, we may expect able lawyers to contend that any interference with express company rates would amount to confiscation.

But whence these enormous profits? They are based on a special privilege that the government under the domination of the republican party seems impotent to break. The government should refuse to allow our railroad companies to surrender their functions as common carriers to express companies, and graft like fast freight, special car lines, and sleeping cars, should be shut off. Graft of this kind reaches far down in the pockets of the people and explains why railroad presidents and directors have rolled up enormous fortunes while the average railroad stockholder receives a dividend of three or four per cent.

(WILLIS J. ABBOTT.)

## Letters From the People

George F. Langenan, Hunters, Va.—Out west the Chinese are models of industry and frugality—so much so that competition by Americans is impossible. Why are they starving in their own country? I would like to see a statement of rents and taxes paid by these starving millions. Does any part of Chinese taxes go to religious orders?

Henry M. Nelson, Georgetown, Mass.—When a boy I committed to memory a poem, "Hymn to the Flowers." The one verse that I now recall is this:

"Ye bright mosaics that with storied beauty  
The floor of nature's temple tessellates,  
What numerous emblems of instructive duty  
Your forms create."

This poem was written by Horace Smith. Will you confer a favor on a loyal subscriber by re-printing the entire poem? The Boston Cultivator, published by Otis Brewer, was for a quarter of a century and more (say from 1840 to 1870) our principal agricultural weekly, and for a considerable time Mr. Brewer printed once a year, on the front page this, "Hymn to the Flowers," embellished with a most wonderful illustration of flowers, massed and singly. If you will kindly print it, it will be gratifying to me and doubtless to many others. (Has any Commoner reader a copy of this poem?)

E. J. Petersen, M. D., Lompoc, Cal.—The writer is one who is always deeply interested in public questions that are for the benefit of the public in general. We are nearing the time when there will again be a great political fight fought. The success of a party depends to a great extent on a strong, liberal and broad platform, and not on hobbies. That our country is threatened with imperialism is a sad fact, one that needs careful consideration. In all their past fights neither of the two great political parties has ever embodied a cause in their platform in regard to revising the patent laws. That the patent laws are unjust, unsatisfying and in a great measure the cause of the formation and prospering of a great many combines is a sad fact. Patent once granted must be final. If of great public value the government could buy it and give it to the general public. It would be wise to embody this in the next national democratic platform. We should have a postal service which would carry larger and heavier packages of merchandise at about one-half the present rate. This should be embodied in the next national democratic platform. A change is necessary in the fraud order system of the United States mail. Any party condemned by the postal officials should have the right to defend himself before a court at once. In a free country where every one is promised a square deal the present regulations are unsatisfactory. The Crumpacker bill passed the house by 110 votes in favor and one against. All this bill asked was the right of a public trial in such cases. It was downed in the senate. This brings to my mind the importance of electing senators by public vote in place of by the legislatures of the various states. This matter of electing United States senators by the people is an important question. The Japanese question is one that should, by all means, be embodied in the democratic platform. It would mean a great deal for this country. We do not need the Japanese or Chinese, nor do we want them. Our children could not attend their schools if they tried, and our people can not hold property there. Why should we allow them these privileges in this country? They are undesirable in this country. The negro question is one that we may never be able to solve. It is too late. Shall we wait with the Japanese question until it is too late? It is important for the great parties to have new and important issues. The democratic party is supposed to stand for the people; why should it fail to take up the important questions of United States senator election by the people, parcel post and changes in the postal regulations as stated, the exclusion of Japanese and Chinese, railroad regulation by the United States government and revision of the patent laws? Because these are important questions, I have drawn your attention to the matter.