

as few commitments as possible until the interstate commerce commission has rendered its decision on their application for increase in rates. An examination of the reports of the railroads as to maintenance of way, equipment, &c., during this period would undoubtedly verify these conclusions. It is to be hoped that the rate decision will soon be made. Whether the increase is granted or not, the railroads ought to know as quickly as possible the basis upon which to proceed.

There has been a decided improvement in the steel business and its allied interests in the last few weeks. The United States Steel Corporation reports an increase in orders of 34,697 tons in June over May. I am confident that this improvement is going to continue; there is every reason why it should. The crop movement already begun is demanding the employment of idle cars. On June 1 the number of idle cars in the country was 242,572. On July 1, one month later, 21,697 of these idle cars had been put into service. It should be borne in mind in this connection that 207,000 freight cars were actually built during the calendar year 1913.

This large addition to the rolling stock of the railroads may account, in part, for the 220,875 freight cars reported as being idle on the first day of July. Before the fall crop movement is ended these idle cars will be upon the rails moving the crops from the farms to the markets and carrying commodities from sellers to buyers.

NEW TARIFF HAS NOT ADVERSELY AFFECTED AMERICAN INDUSTRIES

Has the lowering of tariff duties by the present administration been instrumental in any way in bringing about the depression?

Answer.—No; I have been unable to discover how the new tariff has adversely affected American interests, and I do not believe that any one can show it. It is perfectly clear, however, that the falling off in our exports for April and May, 1914, as compared with the same months of 1913, reflects the well known business depression in those foreign countries which are our best customers, and demonstrates the shortage of foodstuffs at home, which reduced our usual exportations of those articles.

This shortage resulted from the poor crops of last year. An analysis of our imports, which increased for April and May, 1914, over the same months of 1913, shows that the great bulk of them comprise articles that do not compete with our manufacturers. Many of them were on the free list of the old tariff, such, for instance, as coffee, cotton, fertilizers, fibres, hides and skins, India rubber, raw silk and bananas, all of which show large increases in the aggregate. Raw wool, which was previously dutiable, was put on the free list by the present law, and a large part of the increased imports are represented by that item. Nevertheless the price of raw wool to the American producer has increased.

These importations show that our wool manufacturers must be busy turning out a larger quantity of finished goods. The duty on sugar was reduced and the importations of sugar were largely increased. It would be tiresome in the extreme and would involve a lengthy discussion to go into a complete analysis of the export and import figures for these months, or for the past year, and to explain the causes affecting the movement of each item involved. I refrain, therefore, from attempting it.

ENACTMENT OF RIGHT MEASURES PUTS AGITATION TO SLEEP

Business interests generally, regardless of politics, seem to think that a cessation of legislation having in view the regulation of railroad and industrial corporations would do much to bring about a return of confidence. Do you believe that legislation of this sort is responsible for the present business situation, or that a postponement of proposed legislation would restore confidence?

Answer.—No; legislation is not responsible for the present business situation, nor will a postponement of proposed legislation—the anti-trust laws, for instance—restore confidence.

The lack of such legislation impairs confidence. The passage, not postponement, of such legislation will establish confidence. So long as the trust question remains in the political arena it will be a cause for discussion and agitation. Agitation disturbs confidence. The way to effectively put out the fires of agitation is by applying corrective remedies that square with intelligent public opinion. Then confidence will be secured, because the issue will be rightly settled.

The tariff law and the currency law prove

this. There is no disturbing thought now about the tariff. It is settled, and the manufacturers and business men may do business on a definite basis. The currency question is settled, and there is no more uncertainty about our financial system.

Confidence in our financial future is firmly established. It is no longer the subject of debate, and so it will be with the trust question. Enactment of the right corrective measures now will put agitation to sleep and give business the rest it craves and can realize only from wise statutes.

THE INCOME TAX

Will the income tax rate be increased instead? Answer.—I see no present reason for increasing the income tax.

Has the collection of the income tax at the source been a success?

Answer.—Yes, more so than expected.

Is it true that complaints of the annoyances caused by the present system of collection have been so general throughout the country that the government is considering some other method of making the collections?

Answer.—There has been an apparent attempt upon the part of the partisan press to make it appear that there has been a great amount of complaint about the collection of the income tax at the source, and that there is general dissatisfaction with this new form of taxation. This is not correct. I have made it a point to secure information upon this subject and the reports we get from the collectors of internal revenue throughout the country show that there have been remarkably few complaints and very little grumbling on the part of those who pay the tax. The experience of the first year of the income tax has proved that the legislation is successful. Most people recognize the justness of this form of taxation. The law went into operation twenty-seven days after its passage, and threw upon the treasury department an amount of work almost superhuman in its character. The time was so short within which to prepare regulations for the collection of the tax at the source, and the system was so new, that a good deal of confusion and inconvenience resulted at first.

During the coming fiscal year an effort will be made to simplify as much as possible the methods of collecting the tax. The department is anxious to do this, not only for the comfort and convenience of those who have to pay it, but in order to make the machinery for collecting the tax as efficient and economical as possible.

NO "TINKERING" WITH THE TARIFF

If the dwindling revenues of the government continue, will the tariff bill be amended or duties in certain schedules be increased?

Answer.—The revenues of the government are not dwindling; they are increasing. No amendment of the tariff schedules will, therefore be necessary. It is a gratifying reflection that it will not be necessary to tinker with the tariff and that our manufacturers now have a definite basis upon which they may do business. The revenues of the government were greater for the fiscal year ended June 30, 1914, than for the fiscal year ended June 30, 1913. The treasury is in splendid condition, with a net balance in the general fund of more than \$150,000,000.

NO BOND ISSUE LIKELY

Is it the intention of the treasury department to put out new issues of treasury notes and Panama bonds in the near future?

Answer.—No, there is no present necessity, nor do I contemplate any in the near future, for the issuance of treasury notes or Panama canal bonds. There have been expended by the government out of current revenues on the Panama canal more than \$240,000,000. The secretary has the right to reimburse the treasury for these expenditures at any time he thinks advisable through the sale of Panama canal bonds, but, as I said before, no such necessity is in sight.

WE CAN FACE THE FUTURE WITH ABSOLUTE CONFIDENCE

What do you think of the outlook for the future?

Answer.—I think it is splendid, notwithstanding the fact that the disaster doctors have been working overtime to make the nation sick. They seem willing to wreck business and bring suffering upon the innocent in order to destroy the administration, simply because the administration is destroying privilege and re-establishing true democratic government. But they haven't succeeded and they won't succeed. The general business situation is inherently sound and our

financial position is exceptionally strong. The greatest winter wheat crop on record is already secured and the secretary of agriculture reports the prospect for other crops unusually promising. Our economic situation is better and sounder today than any other nation on the globe. With such foundations, how can prosperity be avoided? When I read the hysterical stuff that appears in the opposition press, I can not help recalling Lord Nelson's famous message to the people of England when they were in a state of fright over threatened foreign invasion, "This is no time for nervous systems." We are in no danger of a foreign invasion of goods or anything else to our hurt, and certainly there is no excuse at this time for "nervous systems." We can face the future with absolute confidence.

American farmers are not likely to forget the fact that it was their presumptive friend, the republican party, that for years denied them the opportunity to borrow money from national banks on the same terms of equality with the trusts. They will also remember that it was the democratic party, now being painted by republican orators as the enemy of agricultural development, that amended the law so that half a billion dollars will be available for farm loans as soon as the new banking system is perfected. Hereafter national banks may loan 25 per cent of their combined capital and surplus on farm lands. Which illustrates the difference between talk and deeds.

Senor Moheno, who was a member of the Huerta cabinet, has come to the United States for the purpose, as he informs the people, of telling that what a grave mistake the administration made in dealing with the government as it did. The senator passed a number of marines on his way north. We wonder why he didn't tell the story to them.

William Barnes, the New York republican boss who helped throw Roosevelt out of the Chicago convention, has sued T. R. for libel, claiming \$50,000 damages. It is not made clear just what it was that Roosevelt said that caused this damage, but the suit dispels a popular idea that nothing that could be said about a politician would hurt him.

The attorney general of Kansas has ruled that women who register as voters are not required to give their age if they affirm it to be within the legal limit. Look out now for the paragraph telling of the great increase in the number of women offering themselves as voters. The humorists just must live.

Inhuman treatment of prisoners ought to be severely condemned. A lady anarchist set out in New York on a hunger strike because the authorities put her in prison for disobeying the law. On the third day the keeper offered her a piece of freshly-made huckleberry pie, and the hunger strike ended on the instant.

PROFITLESS PITY

We sigh for the man who might have been great
If he only had tried in a sensible way;
We witness his fall and we pity his fate,
We blame the foul chances that sent him
astray;

We think of the wonders he never has done,
We dismally speak of the talent he had,
And grievously, solemnly thinking him one
Whom fortune has cheated, we murmur:
"Too bad!"

We never waste sighs on the poor little man
Who strives without talent, obscure and un-
schooling,
Who dally is doing the best that he can,
By worthiness urged and by decency ruled;
We never have pity for him as we pass
Where, lacking fair gifts, he is trying to rise,
His case never moves us to murmur, "Alas!"
No matter how bravely he manfully tries.

Ah, well, perhaps heaven, when heaven is gained,
Will furnish the gifts the unnoticed ones lack,
And there the ambitious who have not com-
plained
May win all their hopes and their eagerness
back;
But never in heaven, if heaven is fair,
May the talented ones who have fallen in
shame
Partake of the glory the worthy may share
Or find any joy in the pity they claim.

—Chicago Record-Herald.