

Northern Securities Case.

The opinion delivered by the United States court of appeals in the Northern Securities case is a vigorous rebuke to men who would conspire against public interests by engaging in what Mr. Roosevelt calls "the inevitable process of economic evolution," otherwise and more properly known as trust organization.

If sustained by the supreme court, to which court the case will, of course, be taken, the decision of the court of appeals will result in the complete destruction of the Northern Securities company, which is the name for the trust accomplished by the merger of the Northern Pacific Railroad company and the Great Northern Railroad company.

In its opinion the court of appeals goes directly to the point when it says that the claim that the rate fixed by a combination or a trust is reasonable is of no importance. According to the court, the vice of such a combination is that it confers the power to establish unreasonable rates and directly restrains commerce by placing obstacles in the way of free and unrestricted competition.

According to the court, the New Jersey charter which this combination holds, does not give it authority to violate the federal anti-trust law. The purpose of this merger, in the opinion of the court of appeals, was to destroy every motive for competition between two roads engaged in interstate traffic and the merger is declared to be a trust. The court also says that while the anti-trust law applies to interstate carriers of freight and passengers, it applies to all other persons, natural or artificial; and it is further pointed out that the anti-trust law may not be violated by any device such as entrusting the stock of rival roads to one person with instructions how to vote it, the court declaring that "the result would have been a combination in direct restraint of interstate commerce because it gave power to suppress competition."

The court bluntly declares that the contention that if the proposed merger is held to be in violation of the anti-trust law, then that law unduly restricts the rights of individuals to make contracts and is therefore invalid, is entitled to small consideration. On this point the court says that the constitutional provision with respect to contracts does not exclude congress from legislating with respect to contracts that seek to destroy competition and to antagonize public interests. On the contrary, the court declares:

"The provision regarding the liberty of the citizen is to some extent limited by the commerce clause of the constitution, and that the power of congress to regulate interstate commerce comprises the right to enact a law prohibiting the citizen from entering into those private contracts which directly and substantially, and do not merely, indirectly, remotely, incidentally and collaterally, regulate to a greater or less degree the commerce among the states."

J. Pierpont Morgan has already announced that the case will be appealed to the supreme court. He expresses confidence that it will be reversed by that tribunal. At the same time, he says: "When railroad men know exactly how the law is to be interpreted, they will probably find good ways to see that properties are operated economically and profitably." A fair interpretation of this is that whatever the decision of the supreme court, the trust magnates will find a method of violating the law without laying themselves liable.

The decision of the court of appeals will be accepted as an eminently just one by all who are really opposed to the trust system; and Mr. Morgan and his associates may yet learn that although the lawyers employed by the trust magnates may be ingenious in "finding good ways to see that properties are operated economically and profitably," the people, in whose interests laws are presumed to be enacted, may find "good ways" to see that those laws are vigorously enforced, in spite of the ingenuity of high-priced lawyers and the powerful influences of trust magnates.

Election of Senators by the People

The proposition that United States senators be elected by direct vote of the people has the cordial support of the rank and file of all political parties. To be sure, there are many republi-

can politicians who do not take kindly to the suggestion and the republican United States senate has shown its determination to prevent the accomplishment of this important reform. But so strong is the sentiment among the people that even republican legislatures have recognized the sentiment and have given indorsement to the plan.

The Nebraska legislature is republican and although legislation was very generally controlled by the corporations, public sentiment was so strongly in favor of the election of senators by the people that the Nebraska assembly, recently adjourned, adopted the following:

"Resolved, That it is deemed necessary to amend the constitution of the United States so as to make provision therein for the election of United States senators by direct vote of the people.

Sec. 2. That pursuant to the provisions of article five (5) of the constitution of the United States, application is hereby made to the congress of the United States to call a convention to propose an amendment to the constitution of the United States providing for the election of United States senators by direct vote of the people.

Sec. 3. That a copy of this joint resolution be sent to each senator and representative from the state of Nebraska in the congress of the United States and to each presiding officer of the senate and house composing the congress."

In 1901 the Michigan legislature adopted a resolution asking congress to call a convention for the purpose of proposing an amendment to the constitution providing for the election of senators by popular vote. A similar resolution has been adopted by legislatures as follows: Montana in 1903, Texas in 1903, Missouri in 1903, Pennsylvania in 1901, Kansas in 1903, Utah in 1903, Nevada in 1903, Tennessee in 1901, California in 1903, Oregon in 1903, Florida in 1901, Washington in 1903, North Carolina in 1901, Minnesota in 1901, Idaho in 1903, South Dakota in 1903.

In 1901 a similar resolution was introduced in the lower house of the North Dakota legislature. That resolution passed the house and on being sent to the senate was referred to the judiciary committee, but it was never reported and hence failed of passage.

The resolution was introduced in the lower house of the Massachusetts legislature and was referred to the committee on federal relations.

The resolution was introduced in the Wisconsin legislature and is pending there.

The resolution was introduced in the New York legislature, but no action was taken by either house.

In the Indiana legislature the resolution was introduced in the house and was defeated.

The resolution was not introduced in the Georgia legislature. The same is true of the legislatures of New Hampshire, Alabama, Wyoming, Rhode Island, New Jersey, Maine and Connecticut.

The resolution passed the lower house of the Delaware legislature, but was defeated in the senate.

Reciprocity.

The National Reciprocity league, with headquarters in the Adams Express building, Chicago, publishes a caustic criticism of the republican party's action on the reciprocity question. It quotes the following resolution adopted by the Protective Tariff league last January:

"Resolved, That reciprocity in competitive products by treaty is unsound in principle, pernicious in practice and condemned by all experience. It is contrary alike to the principle of protection, to the fair treatment of domestic producers, and to friendly relations with foreign countries. It is neither ethical nor economic, since it seeks to benefit some industries by the sacrifice of others, which is the essence of injustice. As at present advocated, reciprocity is the policy of favoritism. It would tend to array industry against industry and section against section at home, and foment industrial retaliation and political antagonism abroad. Such a policy would open the door to the grossest favoritism in legislation, promote the growth of a corrupting lobby, and increase the power of debasing bossism. Such a policy has no justification in economics, statesmanship, ethics or good politics. True American policy is protection of all the opportunities and possibil-

ities of the American market for American enterprise, and fair, equal treatment for all other countries—namely, the equal right to compete for American business in the American market by the payment of the full equivalent of American wages. This alone is honest protection, good republicanism and the true American policy."

It also points to Senator Aldrich's interpretation of President McKinley's speech. Mr. Aldrich says: "We might, perhaps, make reciprocity treaties with other countries with respect to non-competitive products." The reciprocity league points out that both Mr. McKinley and Mr. Blaine understood that reciprocity was to apply to other than non-competitive products. It also quotes Reed as saying: "So with reciprocity treaties. Framed in the mind they exchange only commodities that one of the countries produces and the other does not. This seems plain. But no real reciprocity bill or treaty ever could do any such thing, or ever really tried to."

The reciprocity league concludes its argument with the following:

"One who watches the progress of public affairs and believes that political parties should carry out their pledges to the people will be amazed at the spectacle presented in the United States senate.

"Today the republican senators, with malice aforethought, are deliberately, openly, defiantly and in the most brazen manner guilty of violating their party's pledges, its platforms, its traditions and its great leaders' teachings. The American people are slow to wrath, but when their wrath is once kindled, it burns like a consuming flame."

It seems that the republican party has broken its pledge on several occasions, but this, of course, will not subject it to criticism at the hands of those who believe, as some of the republicans seem to, that their party can do no wrong.

A Pool of Monopoly.

The National Economic league, with headquarters in New York, has started out to settle the questions now before the public by a "non-partisan" investigation. An examination of the indorsements, however, would indicate that it is going to settle them on the side of organized wealth. For instance, Mr. J. H. Manly of the republican national committee gives a glowing indorsement of the league, saying: "Your work is one which the employers of labor and the property-holding interests of the country cannot fail to support. It will do much in the future to harmonize the relations existing between labor and capital. The belief that capital is robbing labor and that the wage-earner does not receive his just share of the profits is an erroneous one, and results from a wrong education and a lack of knowledge regarding the true state of existing facts." It would seem to be the work of the league, therefore, to convince the public that the laborer is getting his full share, which means that the trusts are not getting any more than their share. Mr. Albert Clark, of the Home Market club, is alarmed, and says: "Revolutionary ideas have been gaining such rapid headway in recent years in many of the cities and large towns of the United States, that it is high time for property to better insure itself by enlightening public opinion. The splendid work of the National Economic league in its campaign of education should be sustained financially by every good citizen of the United States." Some of the persons whose names are advertised as officials in the league, or indorsers of its work, have doubtless been deceived by the purposes of the league, but they will find, unless indications fail, that the educational work is a very one-sided work paid for by the men who are using the government for private advantage and who are trying to still the rising protest.

Jones' Great Race.

Of all the triumphs in the recent municipal contests none was so purely a personal triumph as that achieved by "Golden Rule" Jones of Toledo. Nominated a fourth time by petition, with no party organization back of him and with both a republican and a democratic candidate against him, with nearly all the papers ignoring him and booming his opponents, he won an easy victory and has the satisfaction of proving again that a man in politics can get along without about everything else if he can only keep the people with him. Jones is a lovable man; he has a great, big heart and the people trust him.