

of his race to provoke hostility between himself and the whites.

The race question is here and it will require the intelligence and the patriotism of the people north and south to settle it aright. It has too long been used for political advantage.

Judge Lochren's Decision.

The decision rendered by Judge Lochren in the United States circuit court at St. Paul with respect to the complaint that the Northern Securities company had violated the Minnesota state law, does not directly affect the case already decided by the United States court of appeals, which case is now pending, on appeal, in the United States supreme court.

The case considered by the federal court of appeals involved a violation of the federal anti-trust law.

The case in which Judge Lochren rendered a decision involved a violation of the Minnesota anti-trust law.

But, in principle, Judge Lochren's decision is essentially at variance with the decision rendered by the court of appeals. For this reason and for the further reason that the Lochren decision practically raised the question as to whether a state law aimed at the destruction of competition may be effective, Judge Lochren's decision is of the highest importance.

Minnesota, like many other states, has a statute forbidding the consolidation of parallel railroads. In Minnesota this particular law was enacted in 1874. In 1881 a law was passed permitting one railroad company to consolidate its stock and franchise with the stock of any other roads which might be connected and operate together to constitute a continuous main line with or without branches. At the same time the act of 1881 reiterated the prohibition against consolidating parallel and competing lines. In 1899 the Minnesota legislature enacted an anti-trust law forbidding combinations in restraint of trade and commerce between the state of Minnesota and other states.

In his opinion, Judge Lochren directed attention to all of these Minnesota laws. Yet while admitting that the Northern Securities company is "an investor in and owner of a majority of the stock of each of these two railroad companies," Judge Lochren said: "It has done no act and made no contract in restraint of trade or commerce." Judge Lochren held that the action of Mr. Hill in promoting the formation of this trust "under the circumstances and for the purposes for which the evidence discloses, and investing in its stock by the sale to it of his stock in the two railroad companies, involved no act or contract in restraint of trade or commerce or affecting transportation or rates more than any ordinary transfer of railroad stock from one person to another."

Judge Lochren admitted that his conclusion is "apparently contrary to that reached by the eminent judges who recently decided the case of the United States versus the Northern Securities company and who will doubtless in another court review this cause upon appeal." But he said that his own sense of duty and the rights of the litigants alike required that his own deliberate judgment guided by his understanding of the authoritative exposition of the law be given in all causes tried before him.

Judge Lochren said that he was compelled to reject the doctrine that "any person can be held to have committed or to be purposing or about to commit a high penal offense merely because it can be shown that his pecuniary interests will be thereby advanced and he has the power either directly by himself or indirectly by persuasion or coercion of his agents to compass the commission of the offense."

It is not at all surprising to learn through the newspaper dispatches that "Judge Lochren's decision was immediately communicated to President Hill of the Great Northern and to President Mellen of the Northern Pacific. The news of his victory greatly pleased President Hill."

The Minnesota laws cited by Judge Lochren show that the merger is distinctly in violation of the state law. If it were necessary that some act, agreement or contract immediately in restraint of trade or commerce be made by companies controlling consolidated parallel railroads, then the law forbidding such consolidation would be a dead letter. Such a law would be wholly useless because, according to Judge Lochren's decision, parallel railroads may consolidate even though the state law explicitly forbids such con-

solidation, providing no act or contract in restraint of trade or commerce shall be made.

The real evil of such consolidations was well defined by Judge Thayer in the opinion delivered in the United States court of appeals when he said:

"It matters not whether by acting under such a contract the rate fixed is reasonable or unreasonable, the vice of such a contract or combination being that it confers the power to establish unreasonable rates and directly restrains commerce by placing obstacles in the way of unrestricted competition between carriers who are natural rivals for patronage; and finally that congress has the power under the grant of authority contained in the federal constitution to regulate commerce, to say that no contract or combination shall be legal which is in restraint of interstate trade or commerce by shutting off the operation of the general law of competition."

Judge Thayer further held that if the stock had been entrusted to one person with instructions how to vote it "the result would be a combination in direct restraint of interstate commerce because it gave power to suppress competition;" and it was further held that the organization of the securities company "accomplishes the object which congress has denounced as illegal."

Should the principle of Judge Lochren's decision prevail, then all anti-trust legislation might fall to the ground. Under that principle trusts could be organized, mergers could be effected, combinations could be accomplished and the only thing essential to the avoidance of illegality would be that the managements should not immediately do anything in the way of forcing up prices or directly placing new burdens upon the public.

Commenting upon the doctrine which Judge Lochren says he is compelled to reject, the Des Moines Register and Leader, a republican paper, says:

"The whole theory of the law in restraint of crime is based upon the assumption that when a man puts himself in position to commit an offense and his evident interest lies in having the offense committed, it is his purpose to commit it. On what other theory are men every day bound over to keep the peace? On what other theory did a New York judge the other day issue a permanent injunction restraining strikers from even addressing employes who had taken their places on the street?"

This republican paper adds that there is no question in Judge Lochren's mind or anybody else's that the purpose for which the Northern Securities company was organized; that the merger promoters have never been at any pains to conceal it; that they have not only admitted that their pecuniary interests lay in a consolidation, but they have also admitted that the stock of both companies was brought together for the purpose of consolidating them; and the Register and Leader adds:

"To pretend now to assume that there is no sufficient reason to believe that the management of the two lines will be brought together in reality, if not in outward form, is to make justice blinder than a bat, too blind to know whether she is even holding scales at all, to say nothing of knowing whether they balance or not."

"It is such rulings as this that make the application of the writ of injunction so often the object of adverse criticism. In New York the judge holds that when a striker speaks to a non-striker it is fair to assume that he intends to violate the law. In Minnesota although a consolidation of two competing railroads has been actually effected in broad daylight, Judge Lochren holds it would be unjust to assume that they contemplate any violation of the statute that prohibits such consolidation."

It is gratifying to learn from Governor Van Sant that he purposes to carry on the fight "until the Minnesota laws are vindicated and upheld" and that he says that until it is conclusively shown that "by intrigue results can be accomplished which our laws were intended to prevent; that the creation of another state can be used to accomplish in Minnesota that which is against the declared policies of that state; that competition shall be open, active, and potential; that dummies shall not be directors, officers, and agents who so operate the railroads of Minnesota that its law shall be nullified and rendered ineffective." Governor Van Sant says that he has faith to believe that the final decision will be in favor of the

state and that the Northern Securities company will be dissolved.

It is to be hoped that Governor Van Sant's faith is well grounded. The power of the state government, as well as the power of the federal government, to deal with the trust evil must be faithfully preserved; and once it be admitted, as the federal court of appeals has said, that congress may by enactment prevent mergers and combinations and impose penalty, in advance of any otherwise overt act, then it is absurd to say that a state cannot legislate in a similar way against the destruction of competition and for the protection of public interests.

Senator Gorman Again.

As no other reorganizer is so often mentioned for the presidential nomination as Senator Gorman, the readers of The Commoner will be interested to know his views on public questions. On another page will be found an interview with the senator recently published in the Baltimore Sun. It will be seen that the senator wants to get away from the issues of 1896 and 1900. While he specifically mentions the silver issue, he evidently regards the questions of trusts and imperialism as dead also for he does not say anything about them. Whether he would have the party openly indorse the administration's Philippine policy and the president's inaction on the trust question or leave the indorsement to be inferred from silence he does not say, but on the tariff question—the only issue that he would make prominent—he wants it understood that he is opposed to radical reform. He favors a platform, like the platform of 1884, that promises a very mild reduction. Why does he skip the platform of 1892 and go back eight years farther to obtain a precedent? The platform of 1892 declared a protective tariff to be unconstitutional and we had a popular plurality of 380,000 that year, whereas the republicans had a popular plurality of 20,000 in 1884, although Cleveland had a majority of the electoral votes. The tariff plank of 1892 was not only more recent, but it was more strongly supported, and Senator Gorman prefers to go back to a "conservative" platform. Possibly he avoids the platform of 1892 because he was conspicuous among the senators who did the bidding of the manufacturers and made the party break the pledge contained in that platform. If the tariff is to be the issue and on that question we are going to see how near we can get to the republican position, what is the use of making a campaign? Why not indorse the republican position and ask for a fair share of the offices in return?

The senator says that in order to win we must have "the confidence of the business interests of the country," and again he speaks of "the substantial interests of the country." In the fight now being waged between the masses and organized wealth it is evident that Senator Gorman's sympathies are with organized wealth. What reforms would be possible under his leadership? None, absolutely none. He even indorses the Aldrich bill which provides for the loaning of government money to the national banks. He wants it so amended that Baltimore banks will get a share, but he has no objections whatever to the plan. His interview shows that he is not in sympathy with the rank and file of the party on a single question. His selection as democratic leader in the senate was a great mistake on the part of the democratic senators and a great misfortune to the party at large; his nomination for the presidency is not to be thought of. He would, if made the standard-bearer, poll a million votes less than a ticket with no name at all on it, for with no nominations made there would still be a hope that the electors would find somebody who stood for something.

Who will be the next reorganizer to expose his weakness to public gaze?

Education.

The experienced man who had an education in his youth will cheerfully testify to the value of that high privilege; and the experienced man who by force of circumstances was denied early educational privileges will not fail to advise his young friend to grasp the opportunity for college training. Both classes of men appreciate the value of an education, the one because he knows what it has done for him and the other because he knows that men who are denied the privilege of an early education are required to face serious embarrassments and obstacles.

Willmott said that "education is the apprenticeship of life." Franklin said: "If a man