

tral Pacific railroad; fine, \$1,000; imprisonment not less than six months. Conducting a combination in restraint of trade interstate and foreign commerce. His policy—To gather under one head all trans-continental lines, and to exclude the incoming of all competitors. His power—Well-nigh absolute over his entire system. His railroad control—Seven great systems, every steamship line on the Pacific south of Puget Sound, and two big steamship lines on the Atlantic. His partial railroad control—Eleven systems and one express company. His 'indefensible financiering'—Taking a rake-off of nearly \$114,000,000 from a railroad that cost but \$58,000,000 and nothing tangible added since to the property. His recent ventures—Acquiring interests in eastern railroads within the last year, amounting to nearly \$132,000,000. His future intentions—Suppression of all railroad competition, if not headed off by federal interference. His burden on the administration—Presidential vexation; exhaustive investigation, legal perturbation and general denunciation. Probable result of it all—Busting of his railroad combinations: criminal prosecution under the act of 1874 and enactment of laws confining interstate railroads exclusively to the business of transportation; preventing the control of one line of parallel and competing lines and regulating the issuance of railroad securities."

THE "OHIO idea" is described by a Toledo, Ohio, correspondent for the St. Louis Globe-Democrat in this way: "About one year from the date upon which Judge Kinkaide made Lucas county common pleas court famous by sending the ice trust barons to jail and workhouse for violation of the Valentine anti-trust law, Judge Lindley W. Morris of the same court overreached the famous ice trust cases by sending twenty-three representative, wealthy and prominent business men to the workhouse for six months and fining nine others \$1,000 each and costs for the same offense. The wholesale sentencing of prominent social and business men was the result of the investigation of the grand jury last April, which found the lumber dealers, the brick manufacturers, the plumbers and the bridgemen in trust conspiracy in violation of the anti-trust law. The brickmen, the lumbermen and the bridge agents pleaded guilty. The plumbers decided to fight and are still in court. Judge Morris spent two months investigating conditions, as he stated in court this morning, and at the end of that time, he says, he feels that the only effective remedy that society now has in preventing this unlawful combination of capital against the commonwealth is by enforcing the laws to the very letter. So he passed sentence, following a most scathing denunciation, which made the men, old friends and acquaintances of years, men who have been identified with the city's growth for a quarter of a century, men who are rated in the hundreds of thousands, fairly squirm and cringe in their seats."

A TOKIO CABLEGRAM to the Houston (Texas) Post says: "A high Japanese official estimates that at least thirty per cent of the entire Japanese people have so far been affected by the agitation against the United States as a result of the recent events in California and the anti-Japanese provision in the immigration act. This movement constitutes a menace. The semi-official newspapers are now deprecating the popular bellicose attitude and are protesting that no cause exists for not welcoming the American warships to Japan if they should extend their journey here. The alleged interview in the Hochi Shimbun with Admiral Sakamoto, in which the admiral was represented as casting aspersions on the morale and patriotism of the American navy, is now said to have been a fabrication and other reports of anti-American utterances on the part of well known men are denied. Baron Kaneko, a member of the privy council, and a Japanese statesman who is well known in the United States, publishes a long article on the 'American problem.' He ascribes the anti-Japanese movement on the Pacific coast to the recognition by the people of that part of the world of Japan's increasing importance, since the Russian war, as a commercial competitor. He denies that the anti-Japanese feeling is shared by the people of other parts of the United States, and denounces the vendors of sensational news. He emphasizes the necessity of co-operation between the powers for the future benefit of Asia, and recommends closer social intercourse between Japanese and the nations of the west. All these in-

dications point to the desire of the Japanese government to produce a calmer atmosphere for the negotiations for a revised treaty with the United States. There are also financial reasons for the pacific attitude of the imperial authorities. Popular attention is now being directed toward the treaty embodying a Russo-Japanese entente, which Dr. Motono, the minister in St. Petersburg, has been ordered to sign forthwith."

THE SITUATION in the Philippines is described by a Manila cablegram to the Houston (Texas) Post as follows: "The possibility of war between the United States and Japan furnishes the principle topic of discussion in the clubs, the newspapers and in army and navy circles. The leader of the Filipino junta stationed in Tokio is in regular correspondence with the Independistas in the islands, and is constantly urging them to prepare to receive the Japanese invaders, who, he says, will quickly give them their independence. In the last communication he sent before the American battle-ships were ordered to the Pacific he positively predicted a war within two years. American intelligence officers are carefully observing the attitude of the natives. The Filipino newspapers frequently refer to the expected war, discussing the position they should assume. The Sun correspondent's observation is that during the last year there has been considerable pro-Japanese talk in several of the provinces. Still, recent study of the situation seems to show that there has been a reaction to Americanism among the Filipino leaders and influential provincials, and this conclusion is borne out by the opinion of conservative and trained officers. This reaction is due principally to the prompt military and naval activity at Cavite, on the islands of Corregidor and Grande, and at the naval station, Olongapo, and especially on account of the formidable fleet ordered to the Pacific and the universal determination of Americans to offer the stoutest resistance. Moreover, the Filipinos, being Christians, naturally would not care to affiliate with non-Christians. Today General Malver, the former rebel who surrendered to General Bell, offered to raise a regiment of guerrillas provided the United States would furnish equipment. Probably the former generals, Calles and Tinio, will follow his example. One question that is little considered by the public, but which is engaging the careful thought of the authorities, is the disposition, in case of war, of the 5,000 scouts and 5,000 constabulary. All the former and approximately half the latter are armed with the Krag-Jorgensen rifle. Their American officers generally vouch for the integrity of the native troops. But a similar condition prevailed during the disarmament of the native troops before the Indian mutiny in 1857."

IT IS NOW announced by a member of the interstate commerce commission that E. H. Harriman will not be prosecuted for the Alton deal because he was given an immunity bath. Referring to this Harriman deal the New York World says: "The Chicago and Alton swindle was a simple transaction, and it was as dishonest as it was simple. First of all, there was a comparatively short though a rich and prosperous railway which was owned by a few elderly men. It paid more than eight per cent on its stock and its bonds were insignificant in amount and gilt-edged. Conservatism of the severest kind actuated its financial and physical management. In 1898 Mr. Harriman and others purchased all but about 4,000 of the 222,306 shares of Alton stock, and, thus in control of the property, they proceeded by new stock and bond issues to increase the capital indebtedness of the company from \$33,000,000 to \$114,000,000. It is of record that \$18,000,000 was expended for betterments, but the proceeds of the remaining \$68,000,000 evidently went into the pockets of the syndicate. Exactly how much was realized may never be known. It is believed, however, that by selling bonds to themselves at low prices and disposing of them on their own account at much higher prices, by appropriating the sum which they paid the company for the bonds by means of a special and secret dividend amounting to more than \$6,000,000, by capitalizing losses and current expenses—the latter mere renewals and repairs—by selling out to a new company controlled by themselves, by paying themselves a high price for a branch road, by mortgaging another branch not yet built, and finally by unloading upon the Rock Island and the Union Pacific companies, also controlled by themselves, the syndicate must have made at least \$30,000,000 by its operations. Two or three things are to be noted

In this connection: (1) No such enterprise as this would have been possible if the Alton road had not been rich and in good repute; (2) complete control of the stock was necessary to success; (3) Mr. Harriman and others owned nearly all of the stock and so in this case it was not the stockholders but the investing public, including some insurance companies, which suffered. How great this loss has been in the aggregate may be learned by comparing the prices now obtained on the exchanges for Alton securities with those which prevailed eight or nine years ago."

SPEAKER CANNON is busy with his presidential boom these days. The Washington correspondent for the St. Louis Globe-Democrat says: "While Vice President Fairbanks is rescuing pretty waitresses from drowning, Secretary Taft nursing his boom in the shady retreat of the Canadian forests, and Secretary Cortelyou bringing veteran political managers like James S. Clarkson to his support, Joseph G. Cannon, speaker of the house of representatives, is likewise making hay while the sun shines. Word comes to Washington from an authoritative source that his friends are engaged in a scheme whereby he is to receive the support of the New York delegation in the national convention in the event it is seen that Governor Hughes can not win. The plan is well under way. The men who appear to be behind the movement are Representative Sherman of New York, chairman of the republican congressional committee; Representative Littauer, Representative Payne, chairman of the ways and means committee, and ex-Representative Wadsworth. All of these men are New Yorkers, and each has considerable influence in his state. They are able to reach powerful interests, so that if handled right, the movement may become one of much importance. The visit of Mr. Cannon to the New York legislature and his call on Governor Hughes are said to have been a part of the scheme; in fact, that is what set the wheels moving. Since then his friends have been very active and, according to reports, have made gratifying strides. The details of the understanding are not known here. There are politicians here who think that the country may be underestimating the strength of the Cannon boom. He is being supported by a number of influential members of congress, in addition to those mentioned above—men like Tawney of Minnesota, chairman of the appropriations committee, and Watson of Indiana, the 'whip' of the last house. He is, indeed, what may be termed the candidate of the 'house ring,' that group of congressmen who stick together on all matters of legislation and come pretty near to running things at the capitol. When these men get busy, secretly or openly, in their several states, it would not be surprising to see a number of wires set to working in the interests of the speaker. Mr. Cannon's office, itself, of course, places him in a position of vantage for the nomination, if he wishes to exercise his power. At the same time his friends keep insisting that he is not a candidate, but that, naturally, he would not decline the honor if it came his way."

A POLITICAL campaign is on in the Philippine islands and a Manila cablegram to the St. Louis Globe-Democrat says: "Manila is entering upon its first real political campaign reasonably interested, although the masses who are not qualified to vote are, naturally enough, apathetic. However, the bitterest rivalry characterizes certain factions. Indiscriminate mobs of the poorer and uneducated non-voters follow the brass bands, assemble in the theaters and enjoy hearing a few leaders expounding widely varying doctrines, their speeches often punctuated with strong personalities. Dr. Dominador Gomez has been organizing meetings, at which he has swayed his hearers by means of lurid oratory, in which he demands independence for the Philippines. Recently he dramatically kissed the insurgent flag at one of these meetings, while vilifying the Americans as 'swine.' Today he occupies a police cell; owing to the withdrawal of his bondsmen in the case that is now before the supreme court. This kind of inflammatory campaigning is not taken seriously by the authorities, who consider it merely a convenient escape valve for a volatile and unstable people. The matter before the supreme court in which Gomez is interested is a sentence of six months' imprisonment for treason, which was passed upon him several months ago."