

not long ago that one of the companies was using the mails for the delivery of night letters, thus taking advantage of the government mail service while charging telegraph rates.

The federal government is in position to supply much more complete service than a private monopoly possibly can and at a very much less cost. Every post office should be supplied with a telegraph instrument, except where the telephone is substituted for it. It is not difficult to learn the telegraph code, and in the smaller communities there is no reason why the one in charge of the postoffice should not also attend to the telegraph business.

The amount invested in privately owned telegraph systems is comparatively small, so that the cost of taking them over or duplicating them cannot be used as an argument against immediate nationalization. And it is not a new question. The country has had three decades in which to consider the proposition. Postmaster-General Wanamaker recommended a postal telegraph system when a member of President Harrison's cabinet and Postmaster-General Hitchcock, a member of President Taft's cabinet, renewed the recommendation.

The country is ripe for the change. The war brought the question to an issue, and of all extensions of governmental activity this is the one which is most certain to become permanent.

The only opposition likely to be met by the advocates of the nationalization of telegraph lines will come from two groups—one, very small, made up of persons peculiarly interested in the control of the wires, and another composed of those who are so much opposed to the principle of government ownership that they object to any extension of governmental powers on the theory that one step may lead to another; that is, that government ownership of the telegraph lines may lead to the taking over of other franchises.

The objection based on pecuniary interest will be discounted because of that pecuniary interest, and the objection based on fear of other extensions will be rejected by the common sense of the country, which is practical enough to deal with each question upon its merits.

The nationalization of telephones, also recommended by Postmaster-General Burleson, is a much larger question. The long-distance telephone lines are in the same class with telegraph lines and should be owned and operated by the federal government for the same reasons.

Not only is the long-distance telephone line quite identical with the telegraph line in the service rendered, but it is already being used as a substitute for the telegraph line over short distances, so that it is likely to interfere seriously with telegraph business and to prevent any further extension of the telegraph system into smaller communities.

But for the increasing amount of capital that is being invested in the long-distance telephone service there would be but little opposition to the proposition to nationalize them. But the pecuniary opposition, considerable as it will be, cannot overcome the conclusive arguments advanced in favor of the ownership and operation of the long-distance telephone lines by the federal government.

But why should the federal government operate the local telephone exchanges? They constitute by far the larger part of the telephone system. Only a small percentage of the calls use long-distance. If there is any virtue in the theory of popular government, then the people can best attend to the business nearest them; the business which most concerns them.

The citizen is much more interested in the successful operation of the telephone system in his own city than he is in telephones outside, and much more interested than any outsider can be in the perfecting of the local system. Why should it be necessary for a citizen to appeal to Washington to remedy inefficiency in his own municipality? The Washington official is not only too far away to be readily sympathetic, but he has so many calls that he cannot give prompt attention to each one that a local official can.

A clear line can be drawn between ownership by a municipality and ownership that is directed from Washington. The local telephone system is as much a monopoly as a water plant. Any attempt at competition in the matter of local telephones is not only expensive to the community, but an annoyance. It comes under the head of a natural monopoly and should be owned by the government. If we must eventually come to the government ownership of telephone exchanges, why not now? Why return them to

private hands and then begin a fight to secure public ownership?

Our federal government has been a success because it was built upon a plan—the only plan yet devised—which permits indefinite expansion without loss of efficiency—a dual plan under which the federal government attends to national matters, and the state government to matters which are local. Why not apply the same principle to the telephone monopoly, and let the federal government operate the long-distance lines, leaving the local exchanges to be operated by local governmental units, to be defined by state legislation?

The federal government might temporarily look after the local exchanges until the states themselves provide for ownership and operation by local units. As nearly all the states have legislative sessions this winter, it is possible to put the dual plan into operation before the adjournment of congress.

If it is urged, as an objection to government operation of the telephone system, that the employees may be used for political purposes, it may be answered, first, that experience shows that government officials cannot be used in politics to the same extent that private corporations have used their employees. Second, that the use of political employees may be reduced to a minimum by a wisely constructed civil service system.

I say "wisely constructed" because the civil service system, as we now have it, is not the last word on the subject. Two serious objections may be made to it; first, that it is theoretically non-partisan, and second, that it tends to destroy the employee's interest in politics—an interest which is not only legitimate but necessary to our institutions.

Experience shows that the dominant party is not only able to turn the non-partisan rules to its advantage, but often extends the system over employees selected by partisan rule, and it is not at all unusual to find civil service employees who have refrained from voting for many years for fear they might vote on the losing side and thus jeopardize their positions.

If we had a civil service system which retained, or even made more efficient, competitive examinations, and yet, after having secured efficiency by examinations, permitted a distribution of the offices in proportion to party strength, the system would be built upon a more substantial and enduring basis.

There is no objection to examinations, however rigid they may be, for no person can have a just claim to a public office unless he can show himself entirely qualified for its duties, but after the qualifications of applicants have been tested by examinations the appointments should be made from the party having less than its quota.

In this way applicants, instead of trying to conceal their politics, would not only announce their political affiliations but have them certified to by the proper party authorities, and then, after appointment, would be free to exercise a citizen's interest in the questions affecting the public welfare. Such a system could be applied to appointees in nation, state and city, the apportionment in each case being based upon the relative vote in that unit.

But whether under a revised system of civil service or under the present system the objections raised to government ownership are not so serious as those that can be made against the owners of private monopolies. Government ownership of both telegraph lines and telephone systems is coming, and now is a good time to adjust ourselves to this extension of governmental activity. The dual plan is submitted for consideration, with the confidence that it meets the requirements of the situation.

W. J. BRYAN.

DUAL OWNERSHIP OF RAILROADS

The railroad problem is by far the largest of the reconstruction problems now confronting the nation. It represents an enormous capitalization; it reaches into every part of the country; the number of its employees amounts to nearly one-tenth of the male voting population of the country.

It is interwoven with banking and other industries; the men who are in control of the railroads are influential in business and often active

in politics; directly or indirectly, it brings pressure to bear upon a large number of persons who are actually on its pay roll.

To understand the subject it is necessary to know not only the railroads as they are, but also the railroads as they are planned. The more important roads were taken over by the government as a war measure, but the act which authorized this limited the control to a period of twenty-one months after the conclusion of peace, so that affirmative action is necessary in order to continue government operation. Director-General McAdoo has suggested that the period of control be extended until the first of January, 1924, in order that government operation may be tested more fully and under normal conditions. But this proposition, as might have been expected, has aroused a prompt protest from those who represent the controlling railroad interests.

I need not discuss Mr. McAdoo's proposal therefore, because, it is not likely to be acceptable to either side.

The railroad magnates, knowing the pecuniary value of private ownership to those in control, will not consent to delay, and the friends of government ownership will see little advantage in a test made under the direction of those who personally favor private ownership. If government ownership is to have a fair test, the test must be made by those who believe in it and want it to succeed; and even then it would have to meet an opposition from railroad interests which will disappear after government ownership becomes the settled policy of the country.

The situation divides itself into four propositions.

I.

A return to private ownership as it was before the government assumed control. This is improbable. The railroads are opposed to it, the President has announced his opposition to it, and the advocates of government ownership are, of course, opposed to it. It may therefore be dismissed for the present. Its consideration is only possible as a compromise in case no other plan can secure the support of a majority. Weak as it is, it has the strength inherent in an existing system before any proposed change secures the support of a majority.

II.

WHAT RAILROAD DIRECTORS WANT

The plan supported by the railroads contemplates a return to private ownership under a so-called unified system of control, with the federal government exercising exclusive supervision over all railroad traffic, intra-state as well as inter-state. The railroads have for years had this change in view. In 1916 they secured the incorporation in the republican national platform of the following plank:

"Inter-state and intra-state transportation has become so interwoven that the attempt to apply two, and often several, sets of laws to its regulation has produced conflicts of authority, embarrassment in operation and inconvenience and expense to the public. The entire transportation system of the country has become essentially national. We therefore favor such action by legislation or, if necessary, through an amendment to the constitution of the United States as will result in placing it under federal control."

The democratic party was silent upon the subject, and the national committee did not emphasize this issue in the campaign. After the election the railroads immediately proceeded to lay their plans for securing this centralization of control. Hearings were begun before a joint committee at Washington, and the railroad lawyers who looked after railroad interests at the capitol presented elaborate arguments in support of the federal control plan. Our nation entered the war before the hearings were completed, and the activities of the railroads in this direction were suspended, but the demand now made by the railroads for return to private ownership includes this change.

The situation was bad enough when supervision was divided between the federal government and the several states; it was hard enough to secure effective regulation or fairness in rates when the people spoke through representatives who lived near them and assembled at the several state capitals.

No one acquainted with politics during the last twenty-five years can have forgotten the reign of corruption. The free railroad pass was one of the means employed until it was eliminated by both state and national legislation. Investiga-