

## Governor McKelvie Refused

The Nebraska legislature, which was called in special session, July 28, for the purpose of ratifying the suffrage amendment, was not given an opportunity by Governor McKelvie to consider the question of profiteering. When the governor consented to call the special session, The Commoner recommended that he include in his call the subject of profiteering so that the legislature could enact legislation to protect the people against the profiteer.

Charles W. Bryan took the matter up personally with the governor and urged him to include the subject of profiteering in his call, pointing out the growing unrest throughout the country, the action that the governors of other states were taking, and the special need for supplementing the present laws of Nebraska by special laws dealing with the modern method of taking advantage of the public by the apparently unlimited amount of marking up all goods by wholesaler and retailer and other middlemen.

The governor did not include the subject of profiteering in his call, and on the day that the legislature convened, Mr. C. W. gave a public statement to the press urging the governor to supplement his call, pointing out the recent developments which made the matter of dealing with profiteers more urgent than at the time he issued his call, and closing the public statement with the suggestion to the legislature that if the governor did not take the initiative and lay the matter before the legislature so that the legislature was at liberty to provide the necessary laws, the legislature should pass a resolution calling on the governor to submit the matter so that they would be free to give the people much needed relief.

The governor failing to take any notice of the request that he supplement his message to the legislature, six republican members of the lower house of the Nebraska legislature — which is composed of eighty-five republicans and fifteen democrats — introduced a resolution calling on the governor to immediately reassemble the legislature in special session before they left the capital city so as to give them an opportunity to enact needed state legislation to enable the state and municipal authorities to protect the people of Nebraska against the profiteer.

As the governor and state officers are republicans, and as the organization of the house and senate is overwhelmingly in control of the republicans, the governor and the members of the organization of both branches of the legislature immediately set in motion plans to prevent the resolution which was introduced by the six republican members from being adopted. The governor's forces introduced substitute motions to permit the speaker of the house to appoint a committee to confer with the governor and consider the matter, they introduced a resolution calling on congress to take immediate action to protect the people against profiteering, and resorted to various parliamentary tactics to keep the original resolution from being considered, but the members of the house of representatives were in no humor to be thwarted in their effort to be of some service to the public, and after a vigorous debate lasting all day, and after having voted down all the substitutes and other plans proposed by the governor's friends to prevent the legislature from demanding of him that he call them in special session to consider the subject of profiteering, the resolution demanding a special session was passed by a vote of fifty-four to thirty-eight.

Notwithstanding the demand of the legislature and the overwhelming sentiment of the people of the state for relief, the governor personally appeared before the lower house of the legislature, refused to comply with the request to call a special session, and said in effect that the legislature should have enacted legislation during the regular session of the legislature last winter if any additional legislation was needed to protect the public.

The action of Governor McKelvie of Nebraska in refusing to permit the state legislature to give the people relief, although they were in session and asked permission of him to do so, is an innovation in the use of the executive power of the state. His use of his technical authority to practically suppress the law-making branch of the state government or his action in "pro-roguing" the legislature, will not aid in quieting

the unrest of the people, will not increase the confidence of the people of the state in their public officials and will not give the federal government the full assistance of the governmental machinery in Nebraska in its efforts to curb the pirate profiteer.

In another column of this issue will be found four specific remedies that Charles W. Bryan asked Governor McKelvie and the Nebraska legislature to consider for the relief of the people in dealing with the profiteers whose activities are confined within the state and municipalities of Nebraska where the federal government is unable to reach them.

### PROGRESS BEING MADE AGAINST PROFITEERING

The machinery of the federal government has been set in motion in response to the nationwide demands from the public that some official action be taken to relieve the high cost of living. The governors and legislatures of several states have taken under consideration measures that will protect the people against profiteering, and the officials of municipalities throughout the country are falling into line in accelerating the movement. Some of the most notable happenings within the past two weeks have been the following:

President Wilson appeared before congress August 8 and delivered a message calling attention to the urgent need of more drastic laws to deal with the profiteering evil, and making several specific recommendations.

The first direct blow at the profiteer will be struck by the government on Monday, August 18, when the war department will begin the largest direct sale of foodstuffs to the American people ever attempted. Nearly 170,000,000 cans of surplus food, in addition to 78,000,000 packages of bacon, will be made available through the parcel post service to every resident in every town and city in the United States. Agencies are being established at more than 50,000 post-office stations for the delivery of the orders. Postponement of the distribution of the food until August 18 was necessary to give the post-office department opportunity to issue instructions to postmasters, and furnish them with order forms, price lists and other data. The responsibility for the booking of the orders and deliveries of the food will be assumed by the postoffice department.

Agents of the department of justice throughout the country are today at work carrying out the order of the attorney general that profiteers and hoarders of food and other necessities be tracked down and prosecuted under the Lever food control act.

The federal trade commission, in a report to congress, declared the high price of shoes was due to excessive profits taken by every factor in the shoe production industry. The packers were charged with having begun the pyramiding of shoe prices by an unwarranted increase in the price of hides, the supply of which they were charged with having taken "exceptional profits", while the shoe manufacturers have demanded an unusual margin, and that the retailers have charged prices that are "not justifiable".

Anti-trust suits against the five big meat packers will be instituted immediately by the department of justice. Attorney General Palmer announced that evidence before the federal trade commission and congressional committees indicated "clear violation of the anti-trust laws," and that he had ordered "prompt action accordingly".

All federal district attorneys in the United States have been ordered by Attorney General Palmer to proceed immediately in the prosecution of all persons guilty of hoarding foodstuffs and to label the foodstuffs for condemnation.

The war department announced that it would sell its surplus subsistence stores to municipalities, state and county institutions. Several large cities have taken advantage of this offer and have placed government foodstuffs on sale for the benefit of the consumers.

In order to tighten the net around dealers criminally guilty of profiteering in foodstuffs and other commodities, the federal government, through the department of justice, has taken steps to revive all over the United States the elaborate organization maintained by the recent food administration. Telegrams have been sent to all former state food administrators asking them to call upon the county food administrators to appoint committees capable of deter-

mining fair prices, publishing lists of fair prices for the guidance of the public, and assisting the federal authorities in the enforcement of the law. Wherever there is evidence of hoarding and other unfair practices the evidence is to be made the basis of criminal prosecutions.

Bills pending before congress would prohibit exportation of certain foodstuffs including sugar, halt stock speculation, prevent excessive prices of fuel, and prohibit cold storage houses to hold food more than ten months.

Resolutions introduced in congress would investigate proposed price increases in shoes, sugar, clothing and coffee, and ascertain why flour prices have increased.

### STATE AND MUNICIPAL ACTION TO CURB PROFITEERS

Charles W. Bryan in a statement issued during the special session of the Nebraska legislature urged specific state legislation to deal with merchants and middlemen who were charging exorbitant prices for the necessities of life. Mr. Bryan's recommendations for state and municipal action to supplement the federal action are in part as follows:

"The federal government is being besieged for relief and is undertaking to do its part to throttle the profiteer, and every state and every municipality should immediately take action to co-operate with the federal authorities in striking at the crime of marking up the prices on the necessities of life.

"The action of the federal government in selling war supplies direct to the people will help as far as it goes, but that only gives relief on a limited number of articles to a limited number of people and only for a very limited time. That, however, does not stop the cause of the trouble or prosecute the offenders. It does, however, point the way that the various states and municipalities can co-operate in a manner that is broad enough to meet the conditions and give permanent relief.

"To answer the many inquiries I have received as to what specific and immediate action can be taken by the members of the Nebraska legislature, I would outline several remedies, all of which are either in effect or being put into effect by states or municipalities of this country. These suggestions follow:

"First — The legislature should enact a law requiring all dealers in foods, fuels, and all other necessities of life, to take out a state license, and provide that the license should be cancelled and the dealer compelled to discontinue business whenever found to be dealing unfairly with the public by what is known as profiteering, or charging more than the reasonable profit.

"This is the plan suggested by the joint committee of the California legislature appointed at their recent session of their legislature for the purpose of investigating the high cost of living and profiteering.

### TRADE COMMISSION

"Second — A state trade commission should immediately be provided for by the legislature, composed of three members appointed by the governor with the advice and consent of the legislature. The duties of this commission would be to inquire into all matters relating to the sale of all commodities and conditions affecting the prices of the necessities of life, including food, fuel, ice, clothing, and such other commodities as the commissions should see fit to investigate. The commission should inquire into all matters relating to cost and production, wholesale and retail prices, and the methods pursued in the conduct of the business of any person, persons, firms or corporations engaged in the production, transportation or sale of said commodities, or of any business which relates to or affects the same. The commission should be given power to summon witnesses in the same manner that summons are issued in criminal cases, etc. Funds should be provided for the use of the commission, and the result of the commission's investigation should be promptly given to the public and a full report furnished to the governor and legislature.

"The state commission should have powers similar to the federal trade commission, so as to supplement the work of the national body. A commission of this kind has been created within the past four days by the legislature of Massachusetts at a special session at which the governor recommended to the legislature that it take immediate action for creating a commission of this kind, as an emergency existed and

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