The New Railroad Law

The expected has happened; the railroads are back in the hands of the private owners, a change that has been certain ever since the returns of the last congressional election were published. The railroad magnates took a very active part in the election of 1918. Believing that the war was nearly over, they looked ahead to the work of re-adjustment, and the one big readjustment on their hearts was the return of the railroads. After having done everything possible to make government ownership a failure, they worked with an activity not equalled since '96 to get a Congress that they could control, and they succeeded. The new railroad law is a sure enough railroad measure, in the sense that it embodies what the railroads have been seeking for a long time, or as much as congress dared to give. The papers which are under the control of railroad influence—and their name is legion—have diverted attention from the chief features of the bill to matters of relatively minor importance.

Much has been said about the guarantee which the government gives, and there is reason for indignation. Why should the railroads be singled out and favored with a guaranteed return? The farmer must take his chances on rain, drought, and hail. He may be delayed by a late spring or caught by an early frost. And after he has taken all the chances that fall to the lot of the tiller of the soil, he must engage in a hand to hand conflict with the bulls and bears of Wall street. But the government does not single him out and soothe his nightly slumber with a guarantee against loss.

And so with the little merchant and manufacturer. They have to take their chances on the market and run the risk of being squeezed out of business by the big, overgrown corporations. But their plea for a guarantee, if they made one, would not reach the ears of the lawmakers at Washington.

Not so unfortunate is the railroad magnate; his lobbyists are ever near the Senate and the House. The railroad is able to help its friends and punish its enemies, and the railroad is in politics as it has seldom been before. But while there is no excuse for the favoritism shown the railroads in the guarantee of profits, the guarantee only runs six months, then expires by its own limitations.

The railroads are allowed to charge rates sufficient to secure a minimum return of 5½ per cent and, under certain restrictions, it can be increased. But this indulgence is limited to two years. When that time comes the people may change the law.

The labor provisions are objectionable. Organized labor has registered a protest against a provision which,depending upon the construction given it by the courts, may or may not be destructive of their rights. The law declares it to be the duty of the employee, (as well as of officials and agents), to "exert every reasonabe effort and adopt every available means to avoid any interruption to the operation of any carrier, growing out of any disputes between the carrier and the employees or subordinate officials." The employees express a fear that that provision may be so construed as to deny to the employees the right to strike under any circumstances or conditions. It all depends upon the construction placed upon the phrases, "every reasonable effort," and, "every available means." A hostile judge might hold that the employees had not exhausted "every reasonable effort" and "employed every available means" to avoid interruption of the business before striking. It is unfortunate that a matter of such great importance should be left to judicial construction. Everybody deplores the strike and the lockout, and yet until some means can be provided that will insure justice, it is not fair to shut the doors against the only remedy that employees have.

The machinery created for the settlement of disputes goes further than any previous law to bring about a settlement. The labor board which deals with the wage question is made up of three persons elected from those selected by labor, three from those selected by the railroad management, and three who are supposed to represent the public. That is a fair division. Each side should of right, be given representation. It is proper also that the public—the patrons of the road number probably ten times as many as stockholders and employees combined and furnish the money for both stockholders and employees—should be represented in matters affecting wages, if the dispute is likely to cause a strike. But it is difficult to understand why a majority of five should necessarily include representatives of all three elements. If a majority is to speak for the board, it should make no difference whether that majority is made up of representatives of two of the elements only or representatives of all three. It is evidently an attempt to mingle group representation with individual representation, and the reason for the attempt is not well founded.

But still greater objection lies to the indefinite ness of the language. While the law does not specificaly say that the findings of the majority are binding, it does not specifically reserve to each side the right to act independently in case there is failure to agree. The publicity provided is a step in the right direction but there should be no ambiguity or doubt as to the limitations of this board. COMPULSORY INVESTIGATION is right, and that investigation should be made at the request of either party or on the initiative of the board. Investigation will in nearly every case, result in a settlement because error shrinks from the light; those who are in the wrong can not stand up against public opinion. But the law ought to clearly state the findings of the board are not binding on either party, but rest upon the moral force of the arguments presented and are intended to aid the public to understand the subject.

The labor clauses of the conference measure are not as harsh as they were in the bill when it passed the Senate.

There are some good features in the bill—results of the experience under government ownership. For instance, a railroad may be compelled to allow another road to use its terminals, a very sane requirement. Government ownership has shown how small changes may greatly add to the convenience of the public, and it is expected that some of these changes will become permanent.

The Senate and the House agreed in giving to the railroads one of the advantages for which they have been working many years. THE STATES POWER IS COMPLETELY SUBORDINATED and all important legislation is transferred to the Federal Government. Only a few years ago the governors of the states met and appointed a committee to fight for the right of the state to regulate interstate commerce. The railroad magnates have for a long time understood that the people's representatives can be trusted to protect the people in proportion as the capital is near to the home of the constituents. The more nearly the legislator works in sight of those for whom he spoke, the more faithfully he reflected their views. The further away he went, the less restraint he felt because of the inability of the constituents to watch him and understand the influences that acted upon him. Our two-cent passenger rates came from state legislation, not from congressional action. Congress permitted the railroads to charge a relatively higher interstate state rate than the rate of the states through which the road passed. The new railroad law takes a long step in the direction of centralization, and we may soon expect demands for more centralization. When the states are completely deprived of legislative power, the railroads will demand the removal of litigation from state to Federal courts, and if they can select their candidates to the Senate and House, we shall soon hear men talking learnedly about the necessity of giving the federal courts exclusive jurisdiction. Then the man who is so unfortunate as to be a litigant against a railroad, will find fighting the corporation so expensive as to compel an acceptance of anything that is offered. If, for instance, the railroad runs over a cow, it will be cheaper to give the railroad the rest of the herd than to claim damages for the animal killed.

In one respect, the bill is not as bad as it might have been. The Senate attempted to

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MR. BRYAN AND MAJORITY RULE

Mr. Bryan wants to go to the San Francisco convention as a delegate, and the Democrats of Nebraska should gratify his wishes. For the past quarter century he has given them great consequence in the country. In 1896 he put them on the national map, and has kept them there. Today two of their number—Mr. Bryan and Senator Hitchcock—are under discussion for the presidency. Hence, they should remember their benefactor in this day of his desire.

Mr. Bryan is not a candidate for the presidency. and declares that he neither expects nor desires the San Francisco nomination. He could not well say he would not accept it if proffered, for, of course, he would. He could not in such a case decline. A convention's invitation is like a king's. It is a command.

What Mr. Bryan has in mind is the platform. He wants to help shape that, and especially with respect to prohibition. He is an aggressive champion of majority rule, and as the eighteenth amendment was adopted by an impressive majority he insists that it must be enforced. And he is right about that.

But majority rule should have wider application at San Francisco than to the platform. Why not also to the ticket? Why should not the convention choose the candidate for president by a majority vote? Because two-thirds have long been required? But these are new times, and the shibboleth now is making the world safe for democracy. As democracy means majority rule, why not make Democratic national conventions safe for the majority?

Should not Mr. Bryan charge himself with insisting at San Francisco on this reform? He need not hesitate because at Baltimore eight years ago the man who had received a substantial majority of the convention's vote for president was denied the nomination through his failure to muster the requisite two-thirds. Majority rule was defeated there and then, Mr. Bryan got the benefit. His candidate was permitted to stay in the race, and forge ahead and win.

But no pre-convention campaign had been made against the two-thirds rule. The convention had assembled with the rule in force unthreatened, and no candidate was at disadvantage on that account. But as majority rule about other things is so much more under discussion now than hitherto, why not extend the discussion to this thing before the San Francisco convention meets, and so prepare the way for a discussion there?

Mr. Bryan is the right man to lead. Whatever he says secures attention; and just now he is urging majority rule as respects both the peace treaty and the eighteenth amendment. Why not, then, also for a presidential nominee, who will need only a majority vote at the polls to win?—Washington Star.

ANOTHER AMENDMENT NEEDED

The supreme court decision freeing stock dividends may seem a little absurd to the averman but don't be discouraged. The constitution CAN be amended and SHOULD be so amended as to specifically authorized a tax on stock dividends. It is a pretty expensive decision but there is a way out and the people should take advantage of it at once.

ALL RIGHT NOW

Pullman rates go up 20 per cent on May 1st. If that had been proposed under government ownership, what a howl would have gone up from the corporation press. But it is all right if the railroads do it. The company may be able to "cut another melon" or declare a tax free stock dividend.

WHO IS THE DARK HORSE?

Johnson's victory in Michigan eliminates Wood, and now the friends of Lowden and Harding will combine to eliminate Johnson, and the progressives will eliminate Lowden and Harding—and then the dark horses will enter the ring.

MILITARISM DEFEATED

Universal compulsory military training is dead for this session. The Democrats killed it in the House and now the Democrats have killed it in the Senate. Now let the national conventions bury it.