

crease, according to its own will, the taxes on every home and on every horse, ox, cow, sheep or pig. If this state board of five men were really selected by the people, and if the board under these conditions was absolutely responsible to the people, then the people, if they wanted to, could oppress the railroads, could have their own property taxed low and the railroad property taxed high. But if, as is actually the case, this board of five at the state house is really selected by the railroads, with this tax-question in view, and if, as is the fact, they are under the controlling influence of the railroads, then, with this taxing power all in their own hands, the railroad corporations can shift a part of their tax burden upon the people, and there is no power in any citizen or citizens to check their unbridled sway.

Is this right? Will any fair man maintain that this centralization of the taxing power is just and safe? Especially is it unjust in view of the ten times greater direct tax burden put upon the people by means of extortionate freight rates. And especially is it unsafe in view of the malign influence exerted by the railroads over this taxing board and over the whole government machinery of the state. In the centralization of power, the danger is always to the people rather than to the corporations. There is no danger to the corporations, and there never will be when the people have the control. As a mass, the people want to be just and they want their officials and courts and assessing boards to be just to all corporations and corporation property. But it is when the people distrust their officials, when they have good reason to believe that a sinister influence is between them and their public servants, when they are baffled year after year and elbowed away from the control of their government—it is then, and not till then, that the people, striking out blindly in self-defense, are apt to harm the corporations and themselves at the same time.

What do the Nebraska people see when they look for the taxing power in their state government? They see five men at the state house meeting as an assessment board, meeting and adjourning day after day and week after week, advertising always through the newspaper reports the honest intentions of each individual member, advertising the particular plan of this member and that member of the board, advertising many different plans—but having no certain or central plan for the assessment of railroad property, although the question has been pending as a business proposition before the state government for a quarter of a century. It is not injustice nor partisan abuse of the board to say that long ago it should have adopted a definite plan and one that would bear the closest scrutiny. Why does it shuffle the question from one member of the board to the other, from one meeting time to another and from one year to the other, holding the question of railroad assessment always in suspense, nagging and fretting the people, who have come at last to believe that all this shuffling is intended finally to shuffle upon the people several hundred thousand dollars of the tax burden that the corporations ought to bear. And the railroad attorneys confidently believe that the people will bear the burden without ever finding out their predicament.

If the free rides which the board members and their thousands of political friends receive were being paid for in cash by the people, the railroads would have reason to be jealous, and to distrust the board on the tax question. If on the other hand these thousands of annual passes are given out on the sly by the railroads, and if this official taxing board is a part of this free-pass machine, the people have a right to be jealous and to distrust the board, and they do distrust it.

The present revenue law looks very much like a new railroad machine. If these various railroad political machines that dovetail into each other to form the Nebraska state government continue to multiply, the people of Nebraska will soon have as little of representative government as had the people of Massachusetts when they threw the tea into Boston harbor.

RAILWAY FALLACIES

Relying on a threadbare argument, the officials of Nebraska railroads still insist that inasmuch as they are conducting private business enterprises they have a right to disregard the interests of the public whenever and wherever it suits them. A Union Pacific official a few months ago used this argument to defend the rate on coal from Rock Springs to Kearney, Neb. The rate was fixed at \$4.75 a ton, but the reduction of 25 cents for the summer months has now brought the rate down to \$4.50 a ton. The rate on Rock Springs coal to Omaha, a much greater distance, is only \$3.75 a ton.

When this glaring discrepancy was pronounced unjust, the Union Pacific official said:

"A railway is a private business corporation. If I am a banker and have \$100,000 to loan and can loan only \$50,000 in my home town at 8 per cent I will not allow the other \$50,000 to lie idle, but will send it to some other town where I may be able to get only 4 per cent, because of the brisk competition. When we sell our coal in Kearney we meet with little competition and can charge the higher rate. When we sell in Omaha we meet strong competition and must make a lower rate on our coal. Remember, the rate to Omaha applies only on carload lots and the Interstate Commerce Commission has decided that a lower rate can be applied to the carload than to the hundredweight or ton."

This statement contains several false assumptions. The quasi-public character of railways has been affirmed in so many court decisions, and notably in a decision by Mr. Justice Bradley, that it would seem unneces-

sary at this late date to demonstrate the proposition. In his decision Justice Bradley held that the railway corporations are creatures of legislation, that they are granted their charters to serve the public and that the right of eminent domain by which the state takes property from the individual and gives it to the railway corporation denotes the public character of that corporation. The state would have no right to take such property if it were not intended for public purposes.

The second false assumption appears to be that the bank is a private corporation. It may be that the Union Pacific official did not wish to convey this idea, but it was implied in his remarks. And it would be pertinent to ask this official why the government should not regulate the railways as stringently as it regulates the banks? The national banking law provides elaborate precautions to protect the public finances, and why should not the railway laws afford equal protection to the public?

The higher coal rate from the Rock Springs mine to Kearney is defended on the ground that a railway corporation has a right to manage its own business affairs without considering the special favor it is granting to the people of Omaha as against the people of Kearney. And by the same token the Union Pacific traffic officials might, and in fact do, consider it proper to make an even lower rate to points east of Omaha where the Rock Springs coal comes into competition with the cheap coals of Illinois and Iowa. It will be seen that the character of the railway as a public servant is here wholly ignored, and the officials of this particular road would strenuously protest if a commission should decide to so adjust the rates on Rock Springs coal that the rate to Kearney would be less than the rate to Omaha.

The last argument used in this case is that the road has a right to make lower rates on carload lots, and if this argument is sound no other argument need be offered. But it would seem to the layman that the railway is doing by indirection that which it could not do directly and abide by the law.

But the time has come in this state when the people must cease merely to bandy arguments with railway officials and tax commissioners. The state must enforce a law that will reduce rates and it must have a commission that will possess power to prevent discriminations. And when the people find that railway regulation fails to prevent effectually all the crying injustices that now result from private ownership they will raise their voices in an insistent and overwhelming demand for government ownership.

PHILADELPHIA'S GAS GRAB

Philadelphia, which was recently described as "corrupt and content," has been aroused by a gas steal of unusual magnitude. The city council voted to the United Gas Improvement company a seventy-five years lease of the municipal gas works, the consideration being \$25,000,000, to be paid in various amounts before the end of 1907. So much opposition was aroused at the last minute that the councils made a few minor concessions in the matter of rates.

As if to disprove the "corrupt and content" description of civic unrighteousness, the indignant citizens began preparations for waging a campaign against the infamous grab. Although the lease was granted by a vote of seventy-four to nine in common council and thirty-seven to four in select council, the people refused to despair. Public wrath seems to have coalesced into a grim determination that the steal shall not succeed. The newspapers announce that the fight has just begun. Mayor Weaver has welcomed and thanked the men who voted against the grab, and their names have been emblazoned in vivid type on rolls of honor. Evidently the Quakers are awake at last.

The members of the gang, who are also members of the council, know that the mayor will veto the ordinance, but they intend to defy all clamor and protestation by passing it over the veto. Meantime the Committee of Nine and the Committee of Seventy have heartily commended the mayor for his opposition to the grab and are planning to open legal assault upon the ordinance as soon as it is repassed. Interviews with leading citizens are said to show virtual unanimity on two points—"that the steal shall be fought to a finish, and that, whether it is finally upheld or defeated, the doom of the gang is certain."

This is, indeed, "a consummation devoutly to be wished," but the outsider is apt to point at Philadelphia the finger of scorn and declare that the action of the councils was altogether to be expected in a city where the people were content so long to live, unprotesting and apparently indifferent, under the rule and ruin of a gang more notoriously corrupt than even that gang which Folk crushed in St. Louis. At the same time, every honest American will extend to the Philadelphians the hope that their awakening has not come too late.

"The Examiner" of Omaha says that if any railroad has a string on Judge E. P. Holmes, it is so slender that no one has been able to tell which road holds it. It may be difficult, but the republicans of the First district should follow that thread, if it exists, through any labyrinth to find who is at the other end.

Taft tossed a shimose shell into the camp of the protectionists and they scattered to the hills, leaving much plunder and many scalps.

Senator Foraker and the other "stand-patters" would like to sentence Secretary Taft to six months on the canal at hard labor.

The fiends are trying to evade the cigaret law in Indiana and the trust is helping them. Is there any law a trust will not break?