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Sentiment Against Free Pass System Is Becoming Irresistible

The Pennsylvania railway has issued an announcement that all forms of free transportation will be discontinued at the end of the present year, "in view of the general agitation on the subject of legislation on railroad rates and the abolition of all forms of rebates and concessions."

Officials of Nebraska railways and their hired lobbyists who have been wont to describe the free pass as "a mere courtesy" should note that the managers of the Pennsylvania railway regard it as "a form of rebate." Such it undoubtedly is when given to a favored shipper and denied to this shipper's struggling competitor. There can be no doubt that as a rebate the free pass has done great harm, but as a bribe it has done incalculably more harm. As a bribe it has warded off for years regulative legislation that would have made rebating impossible.

It is to be hoped that the officials of the Pennsylvania road are perfectly sincere in abolishing the free pass. There has been so much hypocrisy about the utterances of railway officials with reference to free transportation that the action of the Pennsylvania officials cannot but be regarded with considerable suspicion. Whenever there has been agitation against the free pass its use has been condemned by railway officials who have expressed the hope that a law would be passed to prevent the railways from being held up, and yet before their words have grown cold these same officials have set at work the agencies that render futile the efforts of those who seek to secure anti-pass legislation. In Nebraska the people have

had experience of the railway's pretense. Time and again railway officials have feigned to be in favor of legislation that would put an end to the giving and receiving of free transportation, but they have never issued an announcement such as has come from the headquarters of the Pennsylvania railway company. If they had been sincere such an order would have been issued. But the pass was too valuable as a bribe to be surrendered, and Nebraska railway officials, when convinced that an open fight to maintain free transportation would be perilous, have resorted to hypocrisy.

For thirty years Nebraska has been under the iron heel of railway domination because of the free pass. How much longer the railways will be able to hold dominion by means of their insidious bribery system is being determined daily by the growth of the anti-pass sentiment. In Pennsylvania public opinion has caused the Pennsylvania railway to discard, or at all events to pretend to discard, free transportation. Everywhere in the United States the sentiment against free pass bribery is gaining strength. In Nebraska, where the system is deep-rooted and flourishing, it still has lease of life. Its doom is sealed, but its days are not exactly numbered. Next year free-pass bribery will be one of the most vital issues before the legislature. Public opinion has condemned the pass through the platforms of all the parties, but the railways still entertain hope of defeating radical legislation by some strategy. The people have been patient, but they have spoken. They will not again see their will thwarted by railway trickery without calling swiftly to account all recreant legislators.

Two Kinds of Federal Control

In an interesting editorial the New York World protests against what it calls the "Prussianizing of the Republic." President Roosevelt's message is the basis for this protest. It will be recalled that the president made government control the keynote of his message, asserting that state laws had been found incapable of regulating corporations for the benefit of the people. He argued that the government should therefore control not only the railways but all corporations engaged in interstate commerce, and he classed the insurance companies with the corporations.

In Prussia, and indeed throughout Germany, state ownership and state control have been carried to an extreme which excites the frowning disapproval of many who adhere rigidly to the letter of Jeffersonian democracy. These worthy folk are alarmed lest the central government become so powerful that the rights of individuals will be submerged. It is natural for them to revive the old cry of state rights and to insist that it is a fundamental principle. They fear that after the power of control has been centralized at Washington the corporations will strive more strenuously than ever to own the president and dominate congress. The World in striking language portrays the possible outcome:

"Would not the inevitable result of his program be to toss the prize of the federal government into the arena for plutocracy and the mob fight for it? The corporate interests of the country would exert every effort at their command to control the presidency, in order that the hand of the Little Father might be laid as tenderly as possible upon their sordid institutions? Demagogues of the Hearst class would be promising the people everything from free freight to free life insurance. An irrepressible conflict would be raised at once between plutocracy and mobocracy. Organized capital would control the government while the power of money was supreme. Then popular dissatisfaction would give the demagogue his day, with a political sataclysm that piled panic and disaster upon the despotism of plutocracy.

The assumption here is that when the people win the dema-

gogue triumphs. The writer who elaborated the foregoing argument seems to believe that the rule of the people is always "mobocracy."

At the present time the dominance of corporations in the affairs of government is all but supreme. It is this evil which the people and their president are seeking to correct. If the people decide to endow their central government with the power of controlling corporations, the result would be, not "mobocracy," but government by the people. It was upon this theory that our government was founded, but in practice the government has come under the baneful influence of corporate wealth, so that today we witness the singular spectacle of a president battling with an unfriendly congress for restrictive laws which he thinks will protect the public from the rapacity of the trusts.

But the president's scheme of federal control gives cause for just complaint. The president believes in the trusts. He does not seek to restore competition. He even suggests that the railways be allowed to pool on rates under federal supervision. If the railways are allowed to pool on rates discrimination will be legalized. One section of the country will be built up at the expense of another. High rates to the east will be maintained on manufactured products so that factories will not thrive in the west. This will give the railways the long haul from the eastern states to the Middle West and to the Pacific coast. High rates to the west on agricultural products will be maintained so that successful farming will be possible only in the west, and this will give the railways the long haul to the east.

The president does not propose that corporations shall take out a government license upon furnishing proof that they are not monopolies. The president does not fear monopoly. He believes the trust to be a natural evolution. He has small faith that competi-