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A NEBRASKA INSTANCE

There is hardly a richer stretch of country in Nebraska than the zone fifteen miles wide extending from Omaha westward through Wahoo, David City, Osceola and Aurora to Hastings. This zone is the prospective domain of the Omaha & Nebraska Central electric railroad, to be built in case sufficient bonds are voted by the townships traversed—\$80,000 has already been voted—and sufficient stock subscribed by anybody who has the money. Advertisements of this project offering stock for sale contain many interesting statements. Stock of a par value of \$100 a share is offered for \$25, and besides as a premium the purchaser gets an order on the new road for \$11.25 worth of passenger or freight transportation. The net price asked for each share of stock is therefore \$13.75. This is important in view of the succeeding statement that this stock is "dead certain to advance to \$100 as soon as the road becomes operative." Persons who wait too long to buy will be the losers, because, again referring to the advertisement, the offer of a transportation premium "will be reduced in a few days." The certainty of a profitable business is based on the intention of the new line to "haul everybody at one and one-half cents a mile! Who is going to do the business, the roads that carry people for two cents a mile or those that haul them for a cent and a half?"

The railroad discussion of the last two years has definitely established an essential difference between establishing a railroad through a rich, settled agricultural district and promoting a gold mine in the Rocky mountains. The railroad, as a semi-public enterprise, having special privileges in acquiring a right of way and performing service of a public character, is obligated to perform the service for which it is chartered at a reasonable profit on the actual capital invested. The purchaser of stock at \$13.75 a share may realize a fair profit, six, eight or ten per cent on his \$13.75, but if the Nebraska railroad commission does its duty the profit will never be allowed to rise high enough to increase the value of the share materially above the \$13.75 paid for it. When profits grow so large as to tend that way it will be the duty of the railroad commission to reduce the rates, even below the cent and a half a mile proposed to be charged. This would also apply to the lines with which the new line would have to divide the business of its rich zone, the lines it parallels between Omaha and Wahoo, between David City and Osceola, and between Aurora and Hastings, all told considerably more than half its 159 miles of proposed length. These lines would of course, not permit the new line to get all the business at the lower rate unless the lower rate were unprofitable. In which case the more business the new line gets the better it would be, ultimately, for the old one. Railroad stock, in line, must be an investment, and in no sense a speculation.

These facts do not argue for or against any particular new railroad. They do warn the investing public that the day of railroad kiting is past, that there is no legal or legitimate way to put a dollar into a railroad and take one more than a fair interest on the dollar itself, and that it is therefore desirable that new lines be built purely with reference to the commercial needs and absolutely without reference to the

interest of promoters. Nebraska already has its share of weak and rickety railroads threading tortuously here and there according as this township voted bonds and that did not, built to pay as a promotion and not as a railroad. The "the innocent purchasers" of such roads have in the past been permitted to save themselves at public expense, but that was because "the public was foolish or ignorant. The thing cannot be done again."

MENACE OF BREWERY.

To George Kibbe Turner's masterly diagram of the operations and alignment of the forces of vice in Chicago we are indebted for a flash light view of the liquor influence in the affairs of any city. Because Americans drink more and more beer, relatively to other liquors, the brewers have become the central power of the liquor business. Brewing establishments, many of the overcapitalized, crowd the land. To keep running they must sell beer and more beer. The more saloons there are the more money for them. Under their pressure saloons have been established in Chicago, 30 per cent of them are in charge of men who are practically brewers' agents or employees. In every town or locality where beer might be sold, not only the efforts of some man who wants to start a saloon are given over to bringing about its sale but the tremendous power of the brewers, ever in search of a market, stands behind to help. This explains why there is never any dearth of campaign funds on one side when the annual struggle between the saloon and the anti-saloon forces takes place in Nebraska towns. Political power is highly desirable in this in perialistic progress. That comes easy. Every saloon established produces its circle of inebriates who can be used at the polls in the liquor interest. Thus the association of brewers and liquor dealers in Oregon wrote every retailer last year during the woman suffrage campaign: "It will take 50,000 votes to defeat woman suffrage. There are 2,000 retailers in Oregon. That means every retailer must himself bring in twenty-five votes on election day. Every retailer can get twenty-five votes. Besides his employees, he has his grocer, his butcher, his landlord, his laundryman, and every person he does business with. If every man in the business will do this, we will win."

TRADE FOLLOWS THE PERIODICAL.

Canadians believe that trade tends more to follow the periodical than the flag. At present there is no postal wall between the United States and Canada. Canada delivers without charge whatever United States mail comes over the border. The United States reciprocates. In the matter of letters the advantages are about even, but not so with newspapers and magazines. Canadian newspapers, and particularly magazines, cannot compete successfully with those of the United States, having too small a field for either advertising or circulation. This, according to the Toronto Mail and Empire, means that Canadians are better informed about and more interested in affairs in the United States than in Canada, and are tempted moreover by the advertisements of American goods. To permit Canadians to make Canada a practical even though not a technical province this means, in the opinion of many of the United States. They propose accordingly to put a stop to this literary conquest by abrogating postal reciprocity insofar as it pertains to the press

THE ROOSEVELT WAVE

The New York Times has been inquiring of republican editors in every state concerning the popularity of President Roosevelt as compared with his standing with the people when he was elected in 1904. The result is a remarkable chorus to the effect that the president is even more popular than he was three years ago, and that the demand for his re-election, or of a man who represents his policies, is overwhelming. The republican party, according to these letters, is completely under the dominator of the Roosevelt sentiment. The expressions on this point are so strong as to justify the warning that the breaking away of the rank and file from the old "conservative" leadership is complete. The nomination of a reactionary candidate in 1908 will invite certain disaster.

Now and then in the letters published by the Times may be seen a sign of unwillingness to concede that the country is going unreservedly with the president and with his policies. An interesting side light on the situation is thrown by the editor of the Burlington Hawkeye, who is supposed to represent the politicians of the Burlington railroad, whose methods are so familiar to the people of Nebraska as well as Iowa. This editor at the head-quarters of the Burlington Reservation writes:

President Roosevelt is unquestionably very strong in the popular esteem among citizens of all parties in Iowa. There is noticeable, however, a growing restlessness among business men because of the fear the president's attitude toward railway and large business interests will be detrimental to the prosperity of the country. It is recognized that radical legislation in Iowa and other states relative to railways and other corporations contributes largely to the fears for the future, and there is a disposition among some of the people to attribute to the president the inspiration of the state legislators who take the cue from him, when, as a matter of fact, many of their acts would not have the president's approval.

When it is understood that the "growing restlessness among the business men" is almost wholly confined to those engaged in railroad enterprises, the statement becomes self evident and self explanatory.

UNIVERSITY TUITION.

The decision of the regents of the university to charge a tuition fee of \$36 a year to students who do not reside in Nebraska hints at a reversal of the policy that has heretofore prevailed in this institution. For thirty years it has been the ambition of every administration to make a showing of growth in numbers. New and attractive courses have been offered every year and students have been welcomed from the entire world and given virtually free instruction. The growth has been gratifying and the university has been able to extend its influence widely, but the cost of such altruistic effort has provoked criticism. The regents seem to give notice by this adoption of a tuition charge that Nebraska is no longer in the race for numbers. It will offer the best instruction possible to its own sons and daughters freely, but students from outside the state must bear a share of the added expense caused by their attendance.

After the effort to cause a growth in numbers every year is definitely abandoned the university can safely throw

overboard a large number of courses offered for the purpose of attracting students, and give its entire strength to fundamentals. It will then be possible to increase the pay of the members of the faculty instead of increasing their numbers and to secure a much better plant because the growth will be slower and more attention can be paid to permanence and to architectural beauty. The university has grown in size in the past at the expense of the quality of its work and at the expense of the men, who have been compelled to give valuable service for small salaries in order to leave funds to provide for a rapid increase in numbers. That day is evidently over.

PHYSICAL VALUE.

W. R. Stubbs, the Kansas railroad contractor, sticks to the testimony he gave some time ago to the effect that he could replace the main line railroads of Kansas for \$25,000 a mile, and the branches for \$15,000 a mile, exclusive of terminals, shops and general offices. Mr. Stubbs has built railroads nearly all his life, and therefore speaks with authority when he says that these figures will not only build the lines in first class condition but will yield the contractor a "nice profit." The figures for single track main lines in detail, as given in the interstate commerce hearing, are as follows:

Rails, 140 tons to the mile at \$30.	\$4,200
Splices, spikes, bolts per mile.	400
Ties, per mile.	2,500
Grading, per mile.	5,000
Tracklaying, per mile.	600
Bridges, depots, roundhouses, right of way and engineers, per mile.	6,000
Ballast, per mile.	4,000
Incidentals, freight, etc.	2,300

Total \$25,000
Cost of reproducing Kansas branch lines:

Rails, 120 tons per mile at \$30.	3,600
Splices, etc.	400
Ties	2,000
Tracklaying	500
Bridges, etc.	4,000
Incidentals	1,000

Total \$15,000

The further testimony that railroad construction is exceptionally cheap in Kansas is of interest in Nebraska, for the conditions here are identical with those of the neighboring state. Mr. Stubbs expressed the prevailing sentiment in both states when he said that he wanted to be fair to the railroads, as he understood the benefit they are to the state. He was willing to see them "valued on a liberal basis and then be allowed to make a liberal profit on that valuation." The public is not inclined to complain until the capitalization is watered with a liberal hose, and then is doubled at one stroke as in the case of the Burlington or put through the doping process that ruined the Alton.

ECONOMIC WASTE.

Central American states, one and all, have discovered that war and the constant imminence of war are a bar to their prosperity. They are reported to be therefore in a mood to make arrangements to insure perpetual peace. The most hopeful element in the world peace movement is involved in this decision, a comprehension of the cost of war. Heretofore the talk against war has been based mainly on moral grounds, its wickedness and cruelty. That was well, but it needs to be noted that a moral movement thrives best after the world is convinced that it is an economical movement also. Much