

and Omaha to San Francisco was \$37.50 higher than it is today from Chicago to San Francisco. At that time the rate between Chicago and Kansas City was \$21; today it is \$12.50. At that time the rate between Chicago and St. Louis was \$11; today it is \$7.50. At that time the rate between St. Louis and Kansas City was \$12; today it is \$7.50. At that time the local rate of the Chicago & Alton was 5 cents per mile; today the local rate is 3 cents per mile, and the actual average rate which we obtain is 2.022 cents per mile. On page 5, last report (1895) of the Railroad and Warehouse Commission of Illinois, the commission show that 'rates in 1870 for passengers were about 46 per cent higher than in 1895.' I have yet to learn that there has been any such reduction in anything else.

"The figures of the Interstate Commerce Commission ought to be acceptable as authority, and they show that in a group of states, in which they include Illinois, it cost more per passenger per mile to carry a passenger than the Chicago & Alton for many years has earned per passenger per mile."

From an article on Railway Pooling, by George R. Blanchard, commissioner of the Joint Traffic Association, in the New York Mail and Express, 1897:

"In 1873 the freight rates upon 70,268 miles of railway then built averaged 2.21 cents per ton per mile for 168,000,000 tons carried. In 1895 the rate averaged 0.839 of one cent for 763,800,000 tons carried upon 179,162 miles of railway, producing gross freight revenues of \$743,784,451, the rate for 1873 being over 263 per cent of the rate in 1895. At the average rate charged in 1873, the freight earnings in 1895 only would have been \$1,215,344,000 more than they were, over eighty millions more than the entire indebtedness of the states and territories in 1890."

From an article in the New York Sun by the Hon. Robert P. Porter, ex-superintendent of the United States census, Jan. 21, 1897:

"It is said that if the Pennsylvania railroad company could secure the same rates as the London & Northwestern company, the actual earnings would be increased \$12,000,000. Mr. George R. Blanchard, in his recent testimony before the Interstate Commerce Committee of the senate, said that had our railroads collected the lowest of the European charges, we would have received \$370,000,000 more than we did receive. This calculation was based on the figures of 1892. The figures of 1896, which are lower for the United States, would make a great difference."

From an article by the Hon. R. P. Porter in the New York Commercial Advertiser, Feb. 4, 1897:

"With freight and passenger rates less than those of European countries, where labor is paid about half the American rates, how long will our railways be able to tide along with reduced forces and three-quarters time? Unless the decline in receipts is stopped, wages must be reduced, and then the trouble will begin. Taking an army of 200,000 men out of active employment in one occupation is a pretty serious business. That means an annual loss in wages alone of not less than \$150,000,000. Here we have the direct loss. The indirect loss comes from the irreparable injury to the properties by reason of not

keeping them up, ultimately entailing additional losses. The reduction of rates between 1890 and 1895 represents a loss of revenue of over \$1,000,000,000—\$15,500,000 in passenger traffic and \$87,000,000 in freight traffic. Of course, this sum was remitted to the people of the United States, but the question is, can the people afford to force an industry in which nearly one-fifth or 20 per cent of the total wealth of the country is invested to a point where nearly half the stock and bonds pay nothing in dividend and interest, and the current expenses must be reduced below the safety point? This is the problem the people will soon have to face in relation to our railways. Should we carry these facts back to 1887, we have a loss to the railways of about \$150,000,000. That is, if the same rate for passengers and for freight existed in 1895 as in 1887, the receipts from these two sources would have been that much in excess of what they actually were in 1895."

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From an article in the Railway Magazine of March, 1897, by Aldace F. Walker, ex-member of the Interstate Commerce Commission and chairman of the board of directors of the A. T. & S. F. railway company:

"The average charges for railway service are now about one-half of the rates charged twenty years ago."

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From an argument by Geo. H. Daniels before the joint committees of the New York state legislature at Albany, March, 1897:

"The average rate of transportation on railroads has been reduced to less than half the average rate only twenty years ago, viz: For 2 cents a ton a mile in 1873, to 0.8 of 1 cent a ton a mile in 1893—the latter being only 40 per cent of the former rate. This reduction of rates, upon the basis of the tonnage of 1893, amounted, for the whole country, to over one thousand million dollars. It has been of enormous advantage to the country, but severe on railroad corporate interests."

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From article by Frank Weldon in the Atlanta Constitution for April 11, 1897:

"All the railroads in the United States, that is, as a whole, have been getting less and less every year for six years. In 1890 their total receipts were \$50,000,000 more than they were five years later. This was not due to a falling off in business, because they hauled 12 per cent more freight, and got 15 per cent less for it."

FINANCIAL INCONSISTENCY. On the 2d day of August, at Lincoln, the state populist convention declared this commonwealth to have been incalculably benefitted by the distinguished services of the Honorable William V. Allen. That convention endorsed all of Allen's financial vagaries.

THE CONSERVATIVE therefore calls attention to the fact that William V. Allen introduced a resolution into the United States senate just at the beginning of the Spanish-American war, declaring that the government should not issue any interest-bearing evidence of debt for the purpose of securing money with which to carry on the war.

On the contrary, Allen, in the manner

of solemn and sapient statesmanship proclaimed that the war should be waged on a strictly cash basis. In his speeches Senator Allen mercilessly assaulted anyone and everyone who dared to even intimate that to raise money it would be a good thing to issue the government's paper therefor on long time, rather than to depreciate the currency by adding to its volume an irredeemable lot of greenbacks.

Allen was verbosely virtuous. He arose in his might and smote the cormorants and vampires who dared to oppose his views, on every hand. He deprecated the issuance of a government bond for any purpose. He would not sanction the incurring of a debt for any purpose.

And now comes this same debt-denouncing William V. Allen before a populistic state convention, on the 2d day of August, at Lincoln, Nebraska, and makes a long argument in favor of the purchase of all American railroads by the United States government. Mr. Allen then is in favor of becoming responsible for the railway debts, which amount to \$11,615,740,145. That is to say, the economical and bond-fearing Allen is ready to assume an indebtedness which is more than thirteen times as much as was the bonded debt of the United States on the first day of December, 1897. On that date this government owed only \$847,365,620.

Mr. Allen advocates the purchase of the railroads and would so contract a debt five times greater than the debt of the United States when it was at its maximum, at the termination of the Civil War!! And it would call for five times as much annual interest.

The populistic convention of Nebraska proclaims the same delusive doctrine. It declares itself unequivocally in favor of increasing the national debt by more than eleven billions of dollars by the purchase of all American railroads. Yet it protests against "An increase in the interest-bearing debt of the nation as a step in the creation of a perpetual national debt and the permanent enthronement of banks of issue having power to expand and contract at will the circulating medium to the detriment of all the industrial classes of the country."

What consistency is here, when the same political body the same day declares that "the only true solution of the railroad problem is to be found in government ownership, and we declare and reaffirm our allegiance to the doctrine of government ownership of railroads, telegraphs and telephones!"

Relative to population, the United States has four miles of railroad to one in France or Germany; five miles to one in Great Britain and Ireland; and twelve miles to one in Russia. United States railroads employed in 1896 eight hundred and twenty-six thousand and six hundred and twenty-six (826,626)