

**PRESIDENT HADLEY ON TRUSTS.**

It is with no uncertain voice that President Hadley of Yale speaks in the November number of Scribner's on the "Formation and Control of Trusts." And there is no one at present that could speak with more authority. Of all the American writers on subjects of an economic character, there is none who has a cooler judgment or wider information or a greater power of clear and comprehensive generalization. He combines actual experience in dealing with corporations with close direct observation and careful study.

Two points at the start President Hadley urges on the attention of his readers. One is that, enormous as are the figures of the issues of trust securities in the last year, much the larger part of them represent not their investment of new capital, but the conversion of old capital. This fact lessens the importance of the portentous volume of these securities, but of course, it does not by any means destroy it. The other point is that the increase of these securities is largely due to the opportunity afforded for manipulation by inside rings. There is a legitimate increase caused by increased earning power and by the possibility of corresponding economies, but the securities really based on this solid ground may fairly be assumed to remain for the most part in the hands of the owners and managers of the consolidated concerns, or in those of investors. Outside of these exist the securities that are either created for speculation, or, having been created, are devoted to speculation. These may be called in some degree a danger to the public. They are a danger in the sense that they give rise to an expansion that is bound to be followed by reaction in which many interests will be involved. But that is one of the risks to which all business is always exposed, and of which the prudent take constant account. The real danger lies deeper, as President Hadley points out.

A successful consolidation, which lessens cost of doing business and increases the net earning power, necessarily for the time being reduces competition and gives its managers the power to advance prices. That is not to the permanent interest of the shareholders, but it may be very greatly to the interest of those in immediate control, and especially it may give them a most dangerous opportunity to work the stock market. Both the real owners of the property and the consumers may suffer very seriously therefrom. The problem, then, is how to secure greater responsibility on the part of directors and managers. It is not easy of solution, and is in fact a matter of the education of public sentiment rather than one for specific legal action. President Hadley suggests "greater strictness with regard to the formation of new companies, increased

publicity of accounts and clear recognition, legal and moral, of the responsibility of directors who have made false reports to the stockholders." These are logical suggestions, but it is plain that neither will the legislation required be secured, nor, if secured, will it be effectively enforced, unless there is an active force of public sentiment demanding it, and it is not likely to be created except by costly experience. One other suggestion is made, which is in the line of recent changes in public opinion. It is that the barriers to competition, created by import duties, shall be removed, and that duties in the case of business that has undergone considerable consolidation shall be reduced to a revenue basis. Of the justice and expediency of this policy there can be no question.

We have alluded only to a few points raised by the most interesting and valuable article of President Hadley, which ought to be read carefully by all who wish to form a fairly safe opinion as to the question he discusses. One general impression it produces, that trusts cannot be repressed by legislation so far as they are the fruit of the evolution of natural, industrial and commercial forces, but that they can be regulated in some degree to prevent the abuse of the great powers that they offer. Our own opinion is that this regulation may best be in the direction of systematic publicity. That more than anything else will tend to check illegitimate use of power, while the errors that are inevitable will be corrected by the stern hand of experience.

**THE STUDY OF SHAKESPEARE.**

Sir Henry Irving Earnestly Commends the Practice of Reading Aloud.

"The practice of reading aloud in small or moderate-sized gatherings is in every way to be commended," writes Sir Henry Irving, of "The Study of Shakespeare in Small Communities," in the November Ladies' Home Journal. "It is good for the individual, good for the members of the group, good for the locality, good for the nation. No community can be too small for the practice of reading in public. If there be only two persons, each may, in turn, learn something from the successes or failures of the other. No one need be diffident at the beginning; there is nothing really difficult. There is no arduous labor; there is no possibility of absolute failure where there is honest, careful effort. Any form or subject of reading, worthy in itself, can be of use for the study of elocution. It is, however, possible to get together groups of persons interested in some common theme, when the mere getting them together without such an agglomerative cause is lacking; and Shakespeare has been, is, and ever will be, a name to conjure with. A play

read weekly or monthly, with the various characters allotted beforehand, has been a source of much and continuous pleasure, productive of thought and study, ameliorative of defective power of utterance, a winnowing of the chaff of harsh accent or ultra-colloquial mannerism."

**THE SENATE ANTI-IMPERIALISTS.**

Senator Caffery's Views as to Their Proper Course—Bryanism Deemed Worse Than Imperialism.

Senator Caffery (dem.) of Louisiana, one of the meagre handful of Southern democrats of prominence who have stood by the honorable traditions of their party, was asked by your correspondent today what the programme of the anti-imperialists in the senate would be at the coming session of congress.

"That is hard to tell," he answered. "There has been no conference on the subject yet. I suppose every one is waiting to see what the president will say in his message. With that before us, the aggressive tactics of the opposition are likely to take the form of resolutions of inquiry. What satisfaction we shall get is another matter. The administration may exercise its privilege of not answering our questions; the president has certainly told us very little thus far."

"Have you any special points you are personally anxious to clear up?"

"Yes. I was just turning over in my mind, for instance, the question of the right of the government to interfere with the freedom of the mails by throwing out Mr. Atkinson's pamphlets. I should like to know under what authority of law that sort of thing can be done.

"In one particular, by the way, I differ from a good many other opponents of imperialism. They think that as between imperialism and Bryanism, Bryanism is the lesser evil, and therefore to be chosen in preference. I disagree with that view entirely. What we shall do with the Philippines is a question which rests wholly with congress; and the mistakes which one congress makes in legislation can be reversed by a later congress. When the people find that the acquisition of these distant colonies was a blunder, they can make that an issue, and on it elect a congress which will undo the blunder, at least as far as any blunder once committed can ever be undone. But Bryanism is, in a certain sense, a disease. When it has once wormed its way into the political system, no legislative or other external appliance will drive it out. You may suppress its surface manifestations for a little while at a time, but the corruption lurks within and continues its deadly work. In the South its effects show themselves as