

pert in combination. The purpose of combination is to suspend competition in favor of a few. In the natural evolution, out of the fierce contest for commercial supremacy, a condition has been brought about whereby aggregations operating against the law of supply and demand are destroying competition, by combination and unfair methods, in order to secure control of both product and market, and the public is being brought under the thrall of an industrial oligarchy.

Distinction Between Public and Private Employments.

In any discussion of governmental control of industry a fundamental distinction between public and private employments must be remembered. From a very early period the state has exercised control over common carriers and inn-keepers because of their quasi-public employment and because state control was deemed necessary for public protection. Resort having been had more frequently since the discovery of steam to the law of eminent domain, additional reasons for state control of common carriers have appeared. Theoretically they are public servants, occupying the public highways, subject to public control.

The case of telegraph, telephone, gas and electric companies is analogous in that they use the streets and perform quasi-public functions.

Then, too, public employment, being local in its service, comes easily within municipal and state control.

Monopoly.

Emerson has said, "If a man can write a better book, preach a better sermon, or make a mouse trap better than his neighbor, the whole world will make a path to his door."

It is the natural ambition of every industry to control the largest possible scope of trade. The more successful the business the more trade it monopolizes. Such control, when obtained either by arbitrary capitalistic might, by merit of the thing sold, or by both, is a monopoly. Monopolies are:

First. Natural—that is, dependent upon ownership of some source of supply, like coal or iron.

Second. Quasi-natural—that is, dependent upon public franchise, like railroads and kindred employments performing quasi-public functions.

Third. Legal—that is, patent and copyright, designed to "stimulate genius and give due reward to the promoters of human progress."

Fourth. Capitalistic, which depend wholly upon the use of capital.

Fifth. A monopoly may be based upon any or all of these conditions.

The trust is organized for the purpose of extending and monopolizing trade. Objection to trusts can not extend to all forms of commercial combination. If that were so, partnerships and corpora-

tions would come within the scope of trust denunciation. Combinations can not justly be condemned simply because they are combinations. When A goes into the business of refining sugar, he is a legitimate dealer. When A and B combine as partners in the sugar refining business, they are a legitimate partnership engaged in a legitimate business. When A and B and others organize themselves into a corporation engaged in the business of refining sugar, such corporation is legal and legitimate. But when the corporation so organized, which up to that time has been moving with the natural law of supply and demand, because not strong enough of itself to control the law of supply and demand, enters into combination with other corporations engaged in the same business, the object of which combination is to eliminate the natural law of supply and demand in its relation to prices; when the combination so organized is able to destroy competition, to control the price to the producer of the raw material as it goes into the hopper, and to control the price of the finished product as it comes out of the hopper; when the combination so organized is able to set up its trust mill at the crossroads of human necessity in the great thoroughfares of trade and levy tribute on all who pass, coming and going; when the combination so organized, having seduced or destroyed all competition, is able to fix prices for all sellers of raw material, from which there can be no appeal, because there is no one else left to sell to; and to fix prices to all consumers of the finished product, from which there can be no appeal, because there is no one else left to buy from, then the public which gives the franchise which enables the mill to exist, suffers at both ends of the hopper, both as producer and consumer, and is at the mercy of its own creation.

Then, inasmuch as a corporation is an artificial person, owing its existence and the manner of its existence to the law, the duty devolves upon the law to modify and regulate its own creation in the interest of the people who make the law and for whom all law is made.

(CONCLUDED NEXT WEEK.)

DAVID STARR JORDAN WRITES ABOUT CHINA.

In accordance with your kind suggestion, I send a word in regard to the Chinese problem as it looks from the standpoint of Japan. I do not try to give news, for that reaches California as soon as it does Japan, and Chinese news mostly reaches Japan before the event takes place in China. I can now appreciate better the needs of a news censor. Every sort of idle rumor current on the streets of Chefu or Shanghai is telegraphed to Japan and half of it is contradicted the next day. While not a word can be heard from Peking, long

official edicts, the views of Chinese viceroys and the thoughts of the emperor, if there is any emperor, or the dowager, if there isn't, are freely sent over the wires, proving only the ingenuity of the politicians or journalists who invent them.

But there are many people in Japan, Japanese, American and English, who know something of the conditions in China, although no one pretends to understand the intricacies of Chinese official intrigue. I try in this letter to give a sort of composite of the views of these people, reserving the right to form opinions of my own later. I have no right to any yet.

The immediate cause of trouble is the outbreak of the society called "Boxers." This is a secret organization called Ta Tautze Hui, "the Big Knife Society," its original purpose being the subversion of the present Tartar dynasty and the substitution of a native emperor.

It is alleged that the present administration has entered into an intrigue with these big knives and has secretly encouraged them in attacks on Catholic and other missionaries, on wandering mining and railway engineers, and on foreigners in general, Japanese and Americans, as well as German, English and French. The motto of the Boxers is said to be "Mieh Yan," "destroy Occidentals," and "Pau tschu," "protect dynasty." The word corrupted as "Boxer" (tautze, apparently), means much the same as gladiator, the bearer of a gladius or sword. These gladiators are the leaders of the bands, but the rank and file of the Boxers are described as being filled with "village bullies" or rural marauders, a characteristic feature of Chinese life.

It is alleged that these bands could have been dispersed at the will of the administration, but that they have now passed beyond such control, for the movement has now behind it a growing feeling of nationality as well as the intensity of religious prejudice.

The causes of the trouble lie, however, deeper than this. The present outbreak is the expression of a dissatisfaction which has been growing a long time in the North of China, which has relations with the outside world very different from the trading and wandering people of the southern ports.

The first source of trouble, and perhaps the least, is found in the work of Christian missionaries. Wisely or unwisely, some of these put themselves in direct opposition to time-honored but doubtless very objectionable Chinese customs. To overthrow these is in the minds of the country folk to destroy the worship of ancestors, to sap the foundations of Chinese morality and in general to wreck both church and state. The national feeling is weak in China, but the feeling for ancient customs, the feeling which we call conscience, bigotry or