

rest of the Union the states can not control combinations except by combination among themselves. The supreme court has quite clearly defined the scope of the federal anti-trust law by deciding that "the fact that an article is manufactured for export to another state does not of itself make it an article of interstate commerce and the interest of the manufacturer does not determine the time when the article or product passes from the control of the state and belongs to commerce." (U. S. vs. Knight Co., 156 U. S.) To the same effect is Hopkins vs. United States (71 U. S., 578). The federal government, therefore, can not control under the present law.

Since the fourteenth amendment declares that "no state shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, nor shall any state deprive any person of life, liberty, or property, without due process of law, nor deny to any person within its jurisdiction, the equal protection of the laws," and since this provision has been repeatedly held to restrict the authority of the several states in dealing directly with trusts, we are confronted with this situation: First, the states can not control except by unanimous agreement; second, the federal government can not control under the present law; third, the federal constitution restricts states in dealing with this question, even if they should unanimously agree.

#### The Right of Man to Use His Faculties in Lawful Ways.

In a decision of Judge Swayne, of the federal court, in annulling the Texas anti-trust law in 1897, in discussing the relation of the fourteenth amendment to the question of state control of trusts, he says:

"The right of liberty embraces the right of man to exercise his faculties and follow any lawful avocation for the support of life. Liberty, in its broad sense, as understood in this country, means the right not only of freedom from servitude, imprisonment, or restraint, but the right of one to use his faculties in all lawful ways, to live and work where he will, to earn his livelihood in any lawful calling, and to pursue any lawful trade or avocation. \* \* The right to combine to form partnerships and joint stock associations, the right to agree as to prices and production, the right to fix prices, to raise and lower them as business may require, is not oppressive to the public nor unjust to the individual, or contrary to public policy. It is an essential right as part of the liberty of the citizen of which no legislature can deprive him." (In re Grice, 79 Fed. Rep., 627.)

In considering this subject the question presents itself, Where shall the line be drawn, and by what authority shall a legislative body attempt to say to

persons—artificial and natural—thus far shall you go in the acquisition of wealth and power and no farther?

Tiedman, in his work on Limitation of Police Power, says: "Combinations are beneficial as well as injurious according to the motives and aims with which they are formed. It is, therefore, impossible to prohibit all combinations. The prohibitions must rest upon the objectionable character of the object of combination." Objection must rest, then, not upon the fact of combination, but upon the object of combination. The question, then, is whether acts done lawfully on a small scale may be objectionable and against public policy when done upon a large scale. Whether what A and B may lawfully do in a small way may become illegal when done in a large way. Whether a series of lawful acts tending to an object which, by the very magnitude of it, may be "prejudicial to public interests may be declared unlawful. And, finally, whether a combination for the control of "a prime necessity" of life or a "staple commodity," thereby annihilating competition and limiting production, is an object "prejudicial to public interests," and therefore unlawful.

#### Conclusion.

This, then, appears to be the conclusion of the whole matter:

First. The states can not control because of lack of unanimity.

Second. The federal government can not control by interference with matters which belong to state control under present law.

Third. Therefore, inasmuch as trade constantly flows beyond state boundaries, there ought to be a federal law for the control of industrial corporations, which can follow and regulate them always and everywhere.

This is not a subject to be discussed in blind hostility or partiality. Regulation and control by government must not be construed to mean restraint of progress.

"In its preventive policy it ought to be sparing of its efforts, and to employ means rather few, unfrequent and strong than many and frequent."—Burke, volume II, 192.

There is such a thing as governing too much. Progress is constant evolution, constant conflict and "rarely means more than a surplus of advantages over evils." American pride was never better founded than now. The United States today is foremost among the living, advancing powers of the world, "the heir of all the ages in the foremost files of time."

It is the best national illustration of all time of what human liberty grouping itself under the heads of statesmanship, art, invention, capital and labor can do. Iron ore is worth in the ground perhaps 40 cents a ton. The locomotive standing looking down the long track

that finally spans a continent is worth in dollars twenty thousand, but its benefits to civilization are incalculable, and the difference between the slumbering ore and the marvelous mechanism on the track is invention, labor and capital. Here invention, labor and capital stand typified and illustrated, and when they pull together the freight of the world moves, and when they do not there is an explosion.

But the greatest gains on nations can not be presented in the form of a balance sheet. Every man-made material thing must first take shape in the human brain. The necessities of widening business inspire the dreams of inventors. One thing accomplished suggests another thing to be done or overcome. The quality of the human brain, then, which means the quality of the manhood and womanhood of a nation, determines the quality of the nation. Keep the people brave, strong, manly, clean and independent, and no human power can set limits to American achievement.

To this end, then, let every tendency that gives to a few repressive control over the many and restrains the upward bent of human endeavor be curbed with malice toward none and with charity to all.

Macaulay, in his essay on Mill, says: "The greater the inequality of conditions the stronger are the motives which impel the populace to spoliation. As for America, we appeal to the twentieth century."

We, too, appeal to the twentieth century, and may the Omnipotent ruler of the destinies of men and nations so mix and fuse, guide and direct the elements which make America, that the years of the twentieth century shall witness a continuance of the splendid evolution of the nineteenth century.

#### Credit Lyonnais Capital Increased.

By a vote of the directors of the Credit Lyonnais the capital of that institution has been raised from \$40,000,000 to \$50,000,000 by the issue of 100,000 new 500-franc shares, which are to be allotted to present shareholders as privileged stock. These new shares will be issued at 925 francs and will rank for the 1900 dividend on an equal footing with existing shares. It is said that this increase of capital is necessitated by the increased business of the bank, and also to enable the institution to cope with the great increase in the volume of general trade and industry which seems to be anticipated by all classes in France. The Credit Lyonnais is the foremost joint stock institution in France. It was established in 1863 with a capital of only \$4,000,000, which was increased to \$10,000,000 in 1873, \$15,000,000 in 1875, \$20,000,000 in 1879, and \$40,000,000 in 1881. From these advances in capital the bank has been enabled to pay increased annual dividends. The total reserves of