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## PAUL MORTON ON RAILWAY CONSOLIDATION.

Consolidation of all the railway properties of this country in a few hands—perhaps into one grand system—may be the ultimate result of continued failure on the part of congress to enact a railway pooling law. The absence of a pooling law is already hurrying the ownership of railroads into the hands of a few. The logical result of unrestricted competition in the railway business is the death of competition or consolidation.

This is the opinion of Paul Morton, second vice-president of the Atchison, Topeka and Santa Fe Railroad, which he has elaborated in an article in the current number of *The Independent*. Mr. Morton does not look upon the present tendency to consolidation with any alarm; on the contrary, he has consistently maintained for some time that if all the transportation lines of the country were operated as one grand system the service to the public would be superior to that now rendered, charges would be more equitably assessed as between shippers, and a lower basis of rates would prevail.

Those who dissent from Mr. Morton as to the ultimate effect of consolidation of railway companies upon the public interests will hardly deny the proposition that such consolidation is gradually taking place and that the causes ascribed by Mr. Morton are the correct ones. Mr. Morton believes in legalized pooling, under the supervision of the interstate commerce commission, because he is of the opinion that the public can be better served by stability in freight rates than by unrestrained, and therefore destructive, competition. If the railroads are to fight each other to a finish the natural outcome will be ownership by a few people.

Many people believe that government ownership will be the ultimate outcome of present conditions in railroading. But the introduction of politics into transportation as a consequence and the extravagance with which government business is conducted should present insuperable objections in the public mind to government ownership. Mr. Morton illustrates the extravagant manner in which the government conducts

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The Audit Company begs to announce the opening of Western Offices as above.

Hereafter, at both the New York and Chicago Offices contracts may be made for audits of accounts, and financial and physical examinations of properties, with certificates, reports and appraisals.

The Western Board of Control of the Company and the Manager of the Western Office will be as follows:

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EDWIN A. POTTER, President American Trust and Savings Bank, Chicago.

Counsel to Western Office: L. MAYER, Moran, Mayer & Meyer, Chicago.

Western Manager: A. W. DUNNING.

business by citing the case of the post-office department, where the government pays the railroads 28 per cent of its total earnings from that department and shows a deficit. The express companies are controlled by private interests, pay the railroads 50 per cent of their gross earnings, and still show a profit.

The cost of railroad service depends very largely upon the cost of supplies and material. If it is fair to the people of the country to establish maximum rates on the composite service rendered them by the railroads Mr. Morton asks if it is not equally fair to the railroads to establish maximum prices on labor, steel rails, ties, coal and other component parts of the service.

If the absence of legal right to form compacts for maintaining uniform freight and passenger rates means ulti-

mate consolidation of all transportation systems, as Mr. Morton shows by unanswerable argument, it ought not to take the public very long to make a demand upon congress for a pooling law.—Chicago Times-Herald.

## WELCOMES THE COMMONER.

THE CONSERVATIVE, by J. Sterling Morton, of Nebraska City, has already welcomed The Commoner. When it comes to writing and simultaneously casting into a solid line, invectives that invect, no one can hold an incandescent light to J. Sterling Morton. Hence we take it that if these two distinguished statesmen ever run together in a fog, there will be some real fun.—Danville (Va.) Daily Bee.