

so far as I have been able to discover, was the first to pass an act "to extend and incorporate" a railroad company of another state within its own borders. Mississippi did this in its very first charter, which was granted before the Chickasaw Indians had ceded their lands in the northern part of the state, including that on which the university stands. On December 20, 1831, the first native-born governor of Mississippi, Gerard C. Brandon, approved the "act to extend and incorporate the West Feliciana railroad company of the state of Louisiana, within the state of Mississippi." This gave the assent of the state to all and each of the provisions contained in the Louisiana act incorporating the West Feliciana railroad company, adopted, ratified and enacted it into a law of Mississippi, and provided that said act should thereafter be in full force and effect, as well within as without the state, "as an act incorporating a company for the purpose of erecting a railroad from the town of St. Francisville, in the state of Louisiana, to the town of Woodville, in the county of Wilkinson."

The West Feliciana was the first railroad authorized by the state of Mississippi, and, if I mistake not, the first inter-state railroad ever chartered or built. It was conceived and carried to a successful establishment by Mr. Edward McGee, one of the original settlers of the state, who had gone thither during the territorial government, and whose descendants are still living in and about Woodville. It is today operated as part of the Yazoo and Mississippi Valley railroad.

The granting to corporations of other states the right to extend their railroads into and through its borders, and of allowing them to exercise, in the state, charter powers similar to those granted by such other states, has throughout been the settled policy of Mississippi.

The adoption of this, or some like policy equally characterized by broad-minded statesmanship, was a necessity, arising from the physical fact that it is at New Orleans in Louisiana, at Memphis in Tennessee, and at Mobile in Alabama, that the cotton and the lumber grown in Mississippi must find markets, and that it is chiefly through those cities in other states that the people of Mississippi must draw their supplies.

In this way, the New Orleans, Jackson and Great Northern railroad, which had been begun under a charter granted by the state of Louisiana, was continued from the boundary of that state to and beyond Canton, with authority from the state of Mississippi to proceed north-eastwardly through Aberdeen, to the Alabama line, in the direction of Nashville, Tennessee. The like thing has been done in several instances since the civil war, and was done in the case of the railroad formerly known as the

Georgia Pacific, which is now operated by the Southern Railway Company, and extends clear across the state in an east and west direction, from the Alabama line near Columbus, to the Mississippi river at Greenville.

## Liberality in Railroad Charters.

It is doubtful if any state in the union has granted more, or more liberal, charters to railways than has Mississippi. Through the kindness of a friend, who has examined the session laws for me, I am able to say that:

From 1831 to 1840 Mississippi chartered at least twenty-three railroad companies.

From 1841 to 1850 Mississippi chartered at least seventeen railroad companies.

From 1851 to 1860 Mississippi chartered at least thirty railroad companies.

During the throes of the civil strife it incorporated one in 1863, and in the ten years from 1861 to 1870 fifteen railroad companies were chartered.

From 1871 to 1880 Mississippi chartered at least forty-nine railroad companies.

From 1881 to 1890 Mississippi chartered at least sixty-nine railroad companies.

Here we have the granting of 203 separate charters, and my friend tells me this does not by any means represent the total.

The liberal policy of the state resulted in their being, in operation therein, in 1860, some 862 miles of railway. With insignificant exceptions, these formed parts of inter-state railroads leading to New Orleans, Memphis or Mobile. In respect to the number of miles of railroad in operation, Mississippi then ranked thirteenth among the states of the union. The civil war, and subsequent misrule, necessarily had a repressive effect, and in 1880 we find only 1,127 miles of railroad in operation.

Under the leadership of such jurists and statesmen as Judge Wylie P. Harris, Col. L. Q. C. Lamar, Gen. E. C. Walthall, Gov. John M. Stone, Gov. Robert Lowry, each of whom I am proud to have known, with others well known to you, the strong and wise men of your state had, in 1876, restored order, re-established civil government and a respect for vested rights. They, and men like them, were at the head of affairs in 1882. At the biennial legislative session held in that year, sixteen railroad charters were granted, and in 1884 twenty-two. Many, if not all, of them contained very liberal provisions as to the fixing of rates, and most of them in effect granted exemptions from taxation for various but limited terms of years. Those wise, public-spirited men realized, as never before or since, that capital, which Mississippi lacked and lacks today, is by nature inert, and that those having the control or custody of it are to the last degree timid. They saw,

with unerring vision, that in order to draw capital to Mississippi from the North and the East, and from Europe, it was not only necessary to give the usual assurances for the sanctity of vested interests, but also to do something more by way of inducement. It is not surprising to note that the liberal charters granted in 1882 and 1884 resulted in there being within the state in 1890, more than double the mileage which had been built in all the years preceding 1880, to-wit, 2,471 miles.

The people of Mississippi saw fit, in 1890, to adopt a new constitution, and have since made laws thereunder with respect to railroad and other corporations, which are, to put the case mildly, repellent to capital. As a consequence, we find that in 1899 (the last year for which the Interstate Commerce Commission or the commission of the state of Mississippi have published figures), there were but 2,788 miles of railroad. The state now ranks twenty-eighth in the mileage of railroads in operation, the increase during the last nine years, under the changed policy of the state, being 317 miles, or 12.83 per cent., as against 1,343 miles, or 119.17 per cent., in the previous decade. Most of the mileage added since 1890, indeed nearly all of it, is now operated by one or the other of the old companies.

The constitution of 1890 prohibited the granting of legislative charters to business corporations and required them to be incorporated under general laws. The effect has been that since 1890 only eleven railroad companies have been so organized; eight of these seem to have done nothing and the other three have built about twenty-five miles apiece.

## Legislation Against Railroads and Capital.

If you will pardon a word of criticism from one who, despite his large and abiding interest in, is not a citizen of, Mississippi, let me suggest that, in the making of such laws, before the state had obtained all the railroads and all the banks and all the factories which it needs, a costly error has been committed. That such institutions and corporations should be regulated by law goes without saying. The Northern and Western states have, however, been prudent enough to obtain their railways, their banks and their factories before legislating against them. They have not gone out of their way to make regulations which have repelled capital, and thereby prevented and delayed the material development of their own resources. To her great and lasting loss Mississippi seems to have adopted all the restrictive legislation of the older states, which now have no special need to invite foreign capital by encouraging the development of corporate enterprises.

That the necessity of attracting foreign capital into the state is now appreciated by your public men is evident from the inaugural address delivered by