

lieve that Mr. George's proposition to abolish customs houses, to take away the taxes which fall upon houses and improvements which are created by labor, taxes which are therefore in the last analysis, taxes upon labor, and to place these taxes upon monopoly and privilege. I believe this to be the solution of the one great question, the labor question. This question is the rock upon which the nation may yet be reared. The solution of this question is, simply, to take the burdens of taxation from labor and place them upon monopoly and privilege."

Mr. Campbell then asked how this would be of assistance in the solution of the trust problem.

"You name any trust," said Mr. Johnson, "take your choice, and I'll tell you how it is effected."

Mr. Campbell mentioned the beef trust.

"The beef trust," said Mr. Johnson, "is possible on account of the privileges granted by the steam railroads to a few men. The railroads are now in the hands of a small number of capitalists, and will soon be in the hands of one man. The men who control the railroads have given to the men who control the beef trust advantages in rates above all others who would seek to send beef over their lines. This is what makes such a trust possible. The beef trust is one of a group of subsidiary trusts that receive their power for evil entirely from the railroads. The Standard Oil trust is another, also the sleeping car trust and the telegraph trusts. They gain their hold through being allowed to control rates. Do you know the only remedy for these trusts? Let the railroads be owned by the state. Then the railroad trust will be done away with, and when you destroy the mother you'll kill all the offspring at the same time."

There was one question which amused Mr. Johnson hugely. It was: "What objection do you have to perpetual franchises if they are to be properly controlled by legislation?"

The mayor laughed. "In the first place they're too long," he said. The crowd was amused at this, and then the speaker went on to give many and cogent reasons why perpetual franchises were not good things to have.

"Why do you charge five-cent fares upon your railroads in Johnstown and Lorain while you are preaching three-cent fares in Cleveland?" was another question.

"I do not own the railroad in Johnstown and have not for years. I still have a small interest in the railroad in Lorain. A year ago, at my suggestion,

the fare in Lorain was reduced to three cents, and since that time the road has been paying better than it did before."

One other question was decidedly original. It was: "You have yourself amassed a competency under the present system. Don't you think it is unfair now to try to do away with this system so that others will not have the same chance to make a fortune?"

"It depends," said Mr. Johnson, "from what standpoint you are looking at it, and whom you are speaking for. If you are speaking from the standpoint of the monopolist, you may be right. I have been a monopolist a good part of my life, and I know the rules of that game mighty well. I can tell you as an experienced monopolist that the rules of that game are not favorable to the common people. If you are speaking for the people I can unhesitatingly inform you that it is fair now, and always has been fair to abolish a system which is unfair. And it may be that it is because I know the system so well that I am so positive that it should be done away with."

The same man asked Mr. Johnson if it were not true that there was a suit pending against him in Cleveland for \$470,000 back taxes.

"Yes," he replied, "that's pretty near true. Only you got the amount too small. The suit is for about \$600,000. But that is an old story in Cleveland. The tax inquisitor, for political purposes, put my personal property upon the duplicate for more than twice as much as that of all the other residents of Euclid avenue. That's where the dudes live, you know. Mark Hanna doesn't live there, but I will include him, too, and then the amount I was assessed for was more than twice as great as that of all the rich men in Cleveland combined. I have even offered to give the tax inquisitor one-half of this property if he can find it. My friends, I want to pay every cent of tax that I justly owe, but I shall never consent to pay taxes which are trumped up against me for political effect. The people of Cleveland have heard this story of my back taxes a great many times. That they do not believe it is proved by the fact that they have indorsed me, or the candidates whom I have favored, at three successive elections."

Mr. Johnson's replies unfailingly evoked vociferous cheers. Finally a man who had asked several questions of the most unfriendly character addressed the meeting.

"Next month," he said, "Senator Hanna is going to speak to the people of Lima. He will also be asked some

questions. If he answers them in as honest and patriotic a manner as has Mayor Johnson of Cleveland some of us will be in a devil of a fix."

#### A DEMOCRATIC VIEW OF THE IOWA IDEA.

Ex-Gov. Horace Boies' letter of acceptance of the Democratic nomination for congressman in the Third Iowa district, as published in the Chicago Chronicle of September 25.

P. J. Quigley, Henry Parrott, L. F. Springer, Committee, etc.—Gentlemen: Yours of the 18th inst., officially notifying me of the action of the recent convention at Dubuque in unanimously selecting me as the Democratic candidate for congress in this district and expressing the hope that I would accept the same is received.

In no sense unmindful of the honor such a nomination confers, or the kindly feelings of those who tender it, I want to consider the question it presents from the standpoint of duty, which every citizen in a government like our own owes to the commonwealth of which he is a member.

In doing this I am compelled to recognize the fundamental principle upon which our institutions rest, that the source of all official authority, from the lowest to the highest public servants, is the people, and, this being true, it seems necessarily to follow that they, through sources nearest the seat of that power, should, in the absence of reasonable excuse on the part of candidates, be permitted to select those whom they desire to represent them in public positions.

I beg, therefore, to assure you that, profoundly impressed as I am by the responsibilities my nomination imposes and grateful as I shall ever remain for the confidence it implies, I feel it is a matter of duty on my part to accept the same regardless of any personal desires of my own.

In doing this it seems appropriate, if not necessary, inasmuch as no platform of principles was suggested by the convention from which my nomination comes, that I should express my personal views on what seems to me the most important question that now agitates the public mind.

This, in my judgment, is the nation's duty in dealing with the great combinations of capital that have been and are still being rapidly organized in many of our industrial pursuits and which have come to be generally known as "trusts."

It is no exaggeration to say that the great mass of our people are profoundly disturbed by what seems to be the impending evils of this new depart-

ure in so many of our business enterprises.

The serious question that confuses and hopelessly divides us is the remedy that must be found for the dangers they threaten.

In approaching a solution of that question we should endeavor correctly to comprehend its exact nature.

#### TRUSTS AND THEIR EVILS.

To do this it is necessary to understand first of what a trust, in the ordinary acceptance of that term, consists.

In its most objectionable form it is a combination of the properties of considerable numbers of individuals or corporations, originally operated independently of each other, into one larger corporation controlled through its officers by a single management.

The dangers which result from these greater combinations are more than one.

The mere statement of their constituent parts demonstrates that they must of necessity limit, if they do not destroy, competition in every line of business in which they are organized.

Another is the established fact that separate owners of distinct properties, who consent to merge the same in the common property of a greater combination and accept in lieu thereof, as is usually done, the bonds of stock of the new corporation, universally insist upon exorbitant estimates of the value of that which they contribute, thereby compelling the managers of the new enterprise so to conduct its business that it will pay reasonable dividends at least on its enormously watered stock.

#### ANALYZES THE STEEL TRUST.

A notable example of this evil is found in what is known as "the American steel trust," under which separate properties, the original cost of which, it is said, did not exceed \$400,000,000, have been capitalized at the incomprehensible sum of \$1,400,000,000, and its bonds and stocks to that extent placed upon the markets for sale.

At the head of that huge concern is a single individual, whose annual salary is reputed to be a round million of dollars, with a long line of other officers and agents munificently compensated for their services, and still the business of this monster combination is so managed that it pays these extraordinary sums to its managers and agents, together with most liberal dividends upon its enormous volume of bonds and stock.

It requires little foresight to comprehend that in order to do this it must sell the output of its business to some

of its customers, at least, at prices enormously in excess of their actual cost of production.

That this is done to home consumers is conclusively established by the fact that large quantities of its products are shipped abroad and sold in foreign markets at little more than one-half the price exacted for them here.

#### PERIL IN WATERED STOCKS.

The evil of excessive prices to home consumers is not the only one that is threatened. If reports be true its watered stocks are floated in every market of the country and are being absorbed by small purchasers, who will be least able to bear the loss when the crash comes, for as certain as the judgment day for all is the day to come when the American people will find a way to squeeze the water out of the stocks of every one of these great combinations, and when they do the bonds and stock of each will be worth the fair market value of the property they represent and nothing more.

Another and equally serious objection is found in the fact that if unrestrained and permitted to increase in the future as they have done in the recent past they soon will be able to dominate the labor markets of the country and fix at their own sweet will the terms upon which workmen shall be employed and the wage that shall be paid them for their services.

It requires little sagacity to see that if the day ever comes when each of the separate lines in our manufacturing industries is controlled by a trust it would require but one greater combination of all, either express or implied, to fix a scale of wages that would be paid by all.

#### COAL TRUST MENACES NATION.

A forcible example of the power they would easily wield in this regard is furnished by conditions that now exist in the anthracite fields of this country. There one huge combination has possessed itself not only of the soil from which our hard coal must come, but of the means of transportation through which it must reach the outer world.

For a period of nearly four months the managers of that monstrous combination have been at loggerheads with their employes over differences they are unable to harmonize, and although thousands upon thousands of their hard-handed workmen, with their wives and little ones, are suffering for the necessaries of life and the whole country is on the verge of a fuel panic not a muscle of that soulless combination is moved and not a word of conciliation escapes the lips of its managers.

These men have formulated the terms on which their workmen may return to their toil. They can accept or starve; that is their only choice.

What I have said of the two examples to which I have referred is largely applicable to nearly 300 similar combinations of greater or less degree.

As heretofore stated, while all seem to realize the danger to the great mass of our people which this new departure in our business methods threatens, we are hopelessly divided in seeking a remedy for it.

#### TWO VIEWS OF THE TARIFF.

For generations the American people have been divided on the question of the right or wrong of a protective as distinguished from a revenue tariff, but it is only in recent years that the trust evil has entered into a discussion of that question.

The teachings of Democrats logically lead them to believe that our protective tariff system has made the organization of these trusts possible, and so long as it is continued they also believe it will furnish a defensive breastwork behind which they can find shelter from every shaft that could reach a vital part.

The course of reasoning by which this conclusion is reached is easily understood. They say truthfully that the conceded object of a protective tariff is to exclude from our market goods of foreign manufacture which, if permitted to be imported, would be sold in competition with home manufactures and hence reduce the price of these to the same level at which foreign goods of like quality could be bought. That so long as we maintain a tariff wall that shuts foreign goods out of our markets there is no possible way to prevent home producers from combining by either express or implied agreements and fixing the price at which their own products shall be sold.

The futility of legislation, other than tariff reduction, in restraint of such action is to them demonstrated by the fact that the great bulk of our trusts have been openly organized in the face of anti-trust laws carefully prepared and incorporated into the statutes of the nation and many of the states.

#### REMEDY THROUGH THE TARIFF.

They insist, therefore, that inasmuch as the plain object of these combinations is to destroy competition among themselves and thereby become able to fix their own prices upon whatever they produce there is but one remedy for the evils they threaten, and that is to take down the wall that shelters them and compel them to compete with the world at large.

In this view I heartily concur, as I

do in the old and revered Democratic doctrine that a tariff which is nothing less than a tax on consumers can rightfully be laid for one purpose only, and that to raise needed revenue for the use of the government.

But, as old as that doctrine is and firmly rooted in the Democratic faith as it has become, it must always be interpreted in the light of conditions as they exist when it is to be applied.

In the absence of circumstances requiring a different interpretation a demand for an immediate reduction in our tariff system to a revenue basis would naturally be understood to mean a demand for a general revision of our tariff laws and a reduction of all their schedules to a common level that would produce needed revenue only.

This, however, is not as I understand the interpretation Democrats at the present time put upon that demand.

It must be remembered that it is made in the presence of new conditions, in the bright glare of which it must be construed.

HOST OF UNIQUE EVILS.

To the mind of a Democrat, at least, this country is threatened with unique and overshadowing evils.

In the presence of the great combinations that have been and are being organized in our industrial pursuits he reads the downfall of independent effort, the crushing in the youth of our future of a manly hope to stand at the head of some business enterprise and, with brain as well as brawn, lead it upward to success; the withering away of a great army of leaders who have stood at the pilot wheels of our industries and made the whole world wonder at America's business success, and, looking out into the future, he sees in the place of these a single individual, whom the world dubs a captain of industry, bedecked with emblems of authority that cost a million a year to support, leading behind him great columns of dejected men who never dream of a better place, but come and go at one man's beck.

And, turning from visions like these, he sees the wealth that millions are made to earn at the feet of men whose hands were never stained by toil, and then is it any wonder that he asks: Is this the result of law?

And who are the men that we see and speak of like this? You, who would lead or drive them, call them the common herd, but in among them are millions of men who drank from their mother's breast the milk of human kindness that makes every man a brother, who learned at their father's

knee his Bible faith, the equality of man before the law.

AIM AT HEART OF TRUSTS.

To the worshipers of protection let me say, It is not the fetich you have made your god these men are after now. An evil greater than that must be dealt with first. It is the heart of the trust they would reach. To do this you know the wall that shelters it must be battered down at the place where it is concealed.

If this should reduce our tariff system below a revenue basis, they would help to build it higher whenever or wherever a trust is not sheltered behind it.

This is the present day doctrine of a tariff for revenue only, as I understand it, and as I shall interpret it if I go to congress.

Do not understand me that I would do nothing more. There is not a missile any human being can invent I would not help to use if I could drive these monsters from every inch of our soil and scatter them at once into their component parts.

Every measure, whatever it may be and wherever it may originate, that would help to accomplish this would have my utmost and never-ceasing support.

It is unnecessary to extend this letter farther. The creed of Iowa Democrats is plainly written in their state platform. With every line and letter of that instrument my heart and conscience alike are in full accord.

HORACE BOIES.

Waterloo, Iowa, Sept. 22, 1902.

BOOK NOTICES.

THE PRELUDE TO MODERN HISTORY.

A very-useful little book is that with the above title by J. E. Symes, of University college, Nottingham, published by Rivingtons. Its sub-title is: "The World's History from the Third to the Ninth Century."

There are few readers, we suspect, who could stand much of an examination at the bar of their own questioning on the period of history comprised in these centuries. Let any one ask himself, for example, if he has any clear notion of what was going on in the world during the seventh century. What opinions and ideals were at work in religion, in politics, in society? What men stand out as representatives of these opinions and ideals? Who were the rulers in power? What were the boundaries, say, of France? Or was there any France in the seventh century?

The fact is that many who may have a fair outline knowledge of more ancient history and more modern history know almost nothing of the history of the middle ages. All those years from the time of the disintegration of Rome down to the time when the geography of Europe was about as it is now, are indistinct and confused. The seventh century and the ninth, or the eleventh and the thirteenth have the same dark complexion, and all look alike to most of us.

And yet there were great deeds and men, great forward movements and sharp reactions, struggles for freedom and bloody re-

pressions, visions of seers lighting groups of followers and cynical taunts of tyrants and their tools seeking to quench new light—all these things were in these centuries, and each event and each man as distinct as in this year 1902.

This little book of Mr. Symes, with only 169 pages and five simple maps, will help one to distinguish some of these centuries. It is, of course, very brief in its comments; but it is quite clear, and its grouping of important facts is more than usually satisfactory. Some of this grouping the reader must do for himself, for no book can quite become a chronological table. The best way to get a view of any one of the centuries is to take a sheet of paper and fill it out for one's self.

Two typographical errors are to be noted: the date on p. 44 should be 471 not 571, and that on p. 84 should be 604 not 504.

J. H. DILLARD.

PERIODICALS.

—The American Federationist (Washington) for October, the official magazine of the American Federation of Labor, discusses injunctions, achievements of trade unions, trade union education and education in connection with the labor movement, and contains the closing chapter of a series of pictures of the post office system.

—Admirers of Tom L. Johnson, of Cleveland, will be especially interested in Willis J. Abbot's "Pilgrim" (Battle Creek, Mich.) for October. Another important subject treated in this number of Mr. Abbot's progressive and thriving monthly is "Wages and the Cost of Living," in which Byron W. Holt exposes some of the peculiarities of Washington statisticians. Several stories add to the interest of the number, and the illustrations are numerous and attractive.

—The Arena (New York) for October is especially strong and interesting, as a glance over its table of contents will sug-

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