

gan of Cleveland, Ohio, manufactures in quantities to suit, with the view of discrediting Mayor Johnson in the public mind, is now being circulated outside of Cleveland. We quote it as we find it afloat in the exchanges:

Having granted the Standard Oil Company a perpetual gas franchise in Cleveland, Tom Johnson went to Columbus yesterday to air his views on the franchise question.

This sort of thing doesn't go at face value any longer in Cleveland, where the people have come to know Johnson; but out in the State of Ohio and over the country it may still pass current. It is worth while, therefore, to circulate Johnson's reply. When he went before the Ohio legislature—"to air his views on the franchise question," to quote from the extract given above,—he referred to the "perpetual gas franchise" in the following terms:

Perpetual street car franchises have been suggested and in support of this proposition it has been said that the gas companies all over the State hold perpetual grants. This is not true. The law of Ohio limits gas franchises to ten years. At the end of that time the council fixes a rate for a new term of ten years. If no price is fixed the company can charge no rate for its product. This is different from a provision for a ten-year revision on terms to which the company must agree. Again, there is no limit to the number of pipes a gas company or any other company can put in the street. But with street railways, when you have placed two tracks, or at the most four, in the street you can put down no more. And you can't put street car tracks in all streets. The cases are not parallel. The ten-year gas grants are in no sense perpetual.

These facts were known, of course, to the Hanna organ when it charged Johnson with collusion with the Standard Oil trust to fasten a perpetual gas franchise on Cleveland. The truth is that a natural gas company offered to come into Cleveland and undersell the company already in possession. Johnson therefore properly favored the grant of a franchise to it, as did most of the city council, Democrats and Republicans. The franchise was accordingly grant-

ed, and without express limit as to time. No express limit was necessary or is usual, because, under the law of Ohio, the companies cannot charge for gas without the consent of the city renewable every ten years. In effect, therefore, this gas franchise, which will lower the price of gas in Cleveland, was not a grant in perpetuity but for ten years.

Another charge that the Hanna organs are circulating against Johnson is that he is a tax dodger. It is based on the fact that the tax inquisitor of Ohio has sued him for personal taxes on the basis of a valuation of \$1,000,000. This is twice as much as the valuation of all the other residents of Euclid avenue combined, with Senator Hanna's thrown in for good measure. The bad faith of the charge is therefore obvious upon its face.

It is cold comfort that the Democratic "reorganizers" and their Republican allies are getting out of their efforts to "down" Bryanism by a process of silent negation at State conventions. Their latest success was in Massachusetts. But the Springfield Republican, which is neither "silvercratic" nor "popocratic," condemns their platform as lacking the ring of sincerity and genuineness; as being "a platform of the character made to get in on rather than to stand on," and, worse still, as thereby calculated to "fit in perfectly with the general character and purposes of the new leadership in the Massachusetts Democracy." On the other hand it commends the platform proposed by George Fred Williams and defeated by the "reorganizers," as presenting "in the briefest compass a sharp, direct, ringing and comprehensive statement of principles which any party must stand by that is to represent Democratic tendencies and reasonable aspirations at this time." The "reorganizers'" victory in Massachusetts turns out, like that in Wisconsin, to have been a pretty bad piece of business from

every possible Democratic point of view.

Yet Wisconsin and Massachusetts are the only States in which the "reorganizers" have scored a victory. In California, Delaware, Georgia, Illinois, Indiana, Michigan, North Dakota, Pennsylvania, South Carolina, Vermont, Wyoming and Iowa, the only other States that have not in terms reaffirmed the Kansas City platform, local issues dominated all others. In Michigan, at least, Bryan's friends were in control but voluntarily confined the issues to State questions. They were in control also in Iowa, but a large proportion of them were influenced by the "Iowa Idea" to avoid offending Republicans. Even at their best, the "reorganizers" can count only 14 States in which the Kansas City platform is not in terms reaffirmed, while 17 have gone dead against them,—Arkansas, Kansas, Maine, Minnesota, Missouri, Nebraska, Nevada, North Carolina, Ohio, South Dakota, Tennessee, Texas, Idaho, Colorado, Utah and Washington, and Montana. Besides this, a large majority of the only States in either list that the Democrats have a ghost of a show of carrying on any issue, are in the Kansas City platform column.

SUGAR AND POLITICS.

The man who will cheapen the cost of bread 40 per cent. and reduce the cost of living to our people by more than \$100,000,000 a year will virtually make two blades of grass grow where only one now grows and will be hailed as one of the greatest benefactors of mankind. The man, corporation or combination responsible for a 25 or 30 per cent advance in the price of bread or meat deserves the curses of mankind.

An article of food almost or quite as important as either bread or meat is now selling for two prices in this country, three prices in Germany and Belgium, four prices in France, Spain, Austria and Russia and five prices in Italy. Certain men, or

groups of men, some in combinations or trusts and others in official life are entirely responsible for the 100, 200, 300 or 400 per cent advance in prices of this great food product. Yet, instead of being held in execration and treated as enemies of mankind, these price-raising conspirators are honored as industrial chieftains and statesmen in their various countries.

The natural price of refined sugar, if its production and distribution were not interfered with, would be from 2 to 2½ cents per pound. It would probably all be cane sugar and would be produced in the tropics.

But production is greatly interfered with in many European countries and in this country by the giving of national and state bounties—especially to the producers of beet sugar—and distribution has been hampered by import duties and excise taxes. The alleged object of these bounties and duties is to foster and protect the “infant,” but now gigantic, beet sugar industry. The result is that the people in beet sugar countries are paying three or four prices for sugar while people in other countries are eating the same sugar at artificially low prices. As Mr. Hugh Kelly, a New York sugar merchant and planter of the West Indies, told the Ways and Means Committee recently:

You may eat German and Austrian sugars in England at less than two cents per pound, but you must pay eight cents per pound for these sugars in Germany. You may eat French sugar in England for two cents per pound, but you must pay ten cents per pound for that sugar in France.

Mr. Kelly's statement is not quite true now, because England, about a year ago, imposed an import duty of about 9-10 of a cent per pound on sugar, and because the price of sugar in Germany and France is now lower than ever before.

At present, the lowest wholesale price for refined sugar in England is 2.6 cents; in Germany, 6.1 cents; in Russia, 7.3 cents; in Austria, 7.6 cents; in France, 8.5 cents; in Spain, 9 cents; and in Italy, 11.1 cents per pound. The per capita consumption of sugar in England is 90 pounds; Germany, 25; Russia, 9; Austria, 15; France, 25; Spain, 10; Italy, 6

pounds. Thus it is evident that the price of sugar regulates the consumption and that the people eat as much of this wholesome food as they can afford to pay for. As the price is the result of duties, taxes and trusts it is really the governments which, by imposing duties and taxes, out of which the trusts grow, make the price of sugar so high that sugar is a luxury in continental Europe, where it should be one of the very cheapest of foods. The price of sugar is high, and usually so very high that it prevents the poor people from eating much sugar in the beet sugar countries.

This would be bad enough even if the excess of price went to the state or nation and helped to pay the cost of government. But, in fact, most of the excess goes to fatten the protected trusts which exist in all these countries and which to-day, in continental Europe and in this country, are more powerful than kings, emperors, presidents or congresses. These sugar trusts are now the political Frankensteins of Europe and America. The recent international sugar conventions held in Belgium, were to devise means to curb the power and influence of these tariff and bounty fed trusts and to permit the people to eat the cheaper sugar. These conventions resolved that bounties and duties should be lowered, but it is uncertain if any beet-sugar country is strong enough to resist the great influence of the combined sugar interests.

Of course, if the beet growers, sugar makers and sugar refiners were not united and working together they would not be powerful enough to menace their governments and to force the remaining 90 per cent. of the people to pay exorbitant prices for sugar. The sugar-trust leech is found in every beet-sugar country. In Germany it is a three-headed combination and is called a “cartel.” The refiners sell all the sugar and can fix the price inside of the cost of imported sugar; they guarantee a minimum price to the 400 manufacturers of raw sugar. The raw sugar manufacturers, on their part, agree to sell sugar only to the refiners. The thousands of beet growers get their share of the plunder through the high

prices for beets which the guaranteed price of raw sugar enables the manufacturers to pay.

This cartel or trust collects about 4 cents per pound more than a fair price for sugar from the German people. The cartel, by taking advantage of the taxes and bounties, forces Germany to pay \$75,000,000 a year for sugar. Of this sum, \$25,000,000 pays the cost of producing the sugar; \$25,000,000 goes to the government, and \$25,000,000 is left in the cartel treasury and divided amongst the shrewd political sugar makers.

The cartel in Austria-Hungary, which was the model for the German cartel, extracts \$15,000,000 a year from the poor peasants for its own sweet purpose. The French trust, which is of a different nature, apparently only gets about 1.3 cents per pound or \$12,000,000 a year for itself, leaving three-fourths of the \$60,000,000 of sugar tax, collected from the people, in the government treasury. In Russia, Spain, Belgium and Italy similar trusts get smaller amounts for themselves. Holland has no import duty and is without a trust. Switzerland and England have import duties of about .9 of a cent per pound, and their condensed milk and canning and preserving industries are prosperous because sugar sells at from 2 to 3 cents per pound.

It may be remarked, incidentally, that the unprecedented immigration into the United States, during the past year, comes mainly from European countries where, because of high duties and taxes, sugar and other food products are sold at very high prices. Yet the sugar statesmen of Europe are trying to devise laws to keep their people at home!

We in the United States are now cultivating the beet-sugar leech, and its hold is already very strong. We have been easy and, apparently, willing victims of the refiners' trust which, since 1887, has managed to extort an average of about \$20,000,000 a year from us or \$280,000,000, besides the \$150,000,000 or \$200,000,000 which we have donated to our cane and beet-sugar growers in this country and in Hawaii and Porto

Rico, and the \$600,000,000 of sugar tax paid into our treasury.

According to H. O. Havemeyer, in his last "President's Annual Report," we are now contributing \$36,000,000 a year to the sugar growers, as follows:

	Tons.	Share.
Louisiana planters.....	350,000	\$12,600,000
Domestic beet.....	150,000	5,400,000
Hawaii.....	250,000	12,600,000
Porto Rico.....	150,000	5,400,000

By taking the figures of Mr. Havemeyer and other refiners, Mr. W. L. Churchill, a large beet-sugar manufacturer of Michigan, shows that the refiners are making a net profit of \$100,000 a day or \$36,000,000 a year. Thus, according to their own testimony, we are contributing \$72,000,000 a year or \$5 per family to the cane and beet-sugar "infants" which are now disputing with each other as to which shall run our government and dictate the division of the spoils.

Our total sugar tax, including the import duty of 1.95 cents per pound on refined sugar and a countervailing duty of .31 of a cent on German and .81 of a cent on French sugar, all of which is utilized by the trusts, is at least 2.25 cents per pound. We consume 5,200,000,000 pounds of sugar a year. Our total sugar tax, then, is \$117,000,000, of which \$63,000,000 reached our treasury last year and \$54,000,000 was divided, partially or impartially, between our sugar statesmen-refiners and cane and beet-sugar growers and producers. Out of this \$54,000,000 the sugar trust must, of course, meet the incidental expenses of conducting the government. The remainder is all "velvet" to them.

As great as are the direct "stakes" of our political sugar interests, they are exceeded by the indirect stakes to be won or lost by the Cuban-reciprocity deal. The sugar production of Hawaii increased over 2,000 per cent. under the free admission of sugar into the markets of the United States, and sugar lands there increased in value from a few dollars to hundreds of dollars per acre. By donating \$10,000,000 or \$15,000,000 a year to Hawaiian sugar-land owners we are adding from \$100,000,000 to \$200,000,000 to the value of their lands. The removal of 25 per cent. of the duty on Cuban sugar would

give about \$12,000,000 a year to the Cuban sugar-land owners—mostly Americans or other foreigners—and add \$100,000,000 to \$200,000,000 to the value of their lands. Annexation would add \$400,000,000, or more, to these values. Of course, then, Cuba would soon be supplying—as it is proper that it should—nearly all of our sugar and the value of the beet and cane sugar lands in this country—including those of Hawaii and Porto Rico would shrink quite perceptibly.

These are the great stakes being played for by our Havemeyers and Oxnards on our political chess-board, with 77,000,000 of us as pawns, and which will be continued in our next Congress and, in fact, our Congressional elections. That these are the real stakes is evident from the fact that as soon as he discovered that he was going to lose unless he could succeed in making it a drawn game, Mr. Havemeyer, according to reports, began to buy beet-sugar lands and factories.

Mankind will be doubly blessed when it succeeds in divorcing sugar and politics; when it can have the one without the other. Sugar will then be far cheaper and politics far less corrupt.

BYRON W. HOLT.

NEWS

President Roosevelt's campaign tour (p. 376), which he resumed on the 19th, with a view to canvassing the Western States, came to a sudden end at Richmond, Ind., on the 23d, in consequence of the necessity for a surgical operation upon his leg for an abscess. The abscess was located on the left shin between the knee and the ankle, and is supposed to have resulted from one of the bruises Mr. Roosevelt received in the recent trolley accident (p. 345) in Massachusetts. His physicians at Richmond issued a bulletin prior to the operation in which they pronounced the President "entirely well otherwise;" and after the operation, which consisted, according to the medical report, in the removal of two ounces of "perfectly pure serum," the secretary to the president, Mr. Cortelyou, issued a bulletin stating that although from indications the President should make a speedy recovery, it was

deemed absolutely imperative that he remain quiet and refrain from using the leg. Accordingly all his speaking engagements were canceled and he returned at once to Washington, where he arrived in the evening of the 24th.

Mr. Roosevelt had spoken on the 20th at Cincinnati, where he argued against the possibility of curing trust evils by revising tariff schedules, and advocated as his remedy for the trust evil, publicity first, and next, a constitutional amendment giving the Federal government power over corporations doing an interstate business. He had spoken also at Detroit. This was on the 22d. The burden of his speech there was reciprocity with Cuba. At Logansport on the 23d he delivered his speech on tariff revision, which was to have been delivered at Milwaukee. In this speech he declared the need to be some machinery by which, while perpetuating the policy of a protective tariff, we shall be able to correct the irregularities and remove the incongruities that are produced by changing conditions. He proposed no particular machinery for that purpose, beyond saying that there are two or three methods and that his personal preference would be that no action should be taken except after a report from a body of experts.

The Ohio campaign for home rule and just taxation which Mayor Johnson of Cleveland and Herbert S. Bigelow, the Democratic candidate for secretary of state, are conducting has met with increasing success and is of growing interest. After the large tent meeting of the 15th at Bowling Green (p. 376), the campaigning party went to Napoleon, in Henry county, which is Democratic, and where Johnson forced the Democratic candidate for auditor, not without difficulty, to pledge himself before a meeting of 5,000 people, that if elected he would do all in his power to make the railroad valuations the same as those of the farmer and the cottager, and that he would not ride on the railroads with a pass. The next meeting was held on the 17th at Defiance, in the Democratic county of that name, where nearly as large an audience assembled, and where Mayor Johnson exacted the same promise from the Democratic candidate for auditor of that county. On the 18th the meeting was held at Paulding, a place of 2,000 inhabitants, in Paulding county, a Republican locality,