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A conservative remembers but does not think.

Some Denver fakir is reported to have invented a system of "mental gymnastics" for muscular development. He says his patients "don't have to exercise at all—simply to think." This idea that thinking is easy accounts for many things. Yet, straight and honest thinking, with a sense of responsibility for results, is about as laborious work as mortals ever engage in.

Following the example of the American administration in the Philippines, the Virginia constitutional convention has voted against incorporating into the oath of office of the delegates a pledge to support the constitution of the United States. The reason is in each case the same—intention to violate or evade the constitution.

The grocers of Great Britain are giving their customers gratuitously much-needed lessons in fiscal science. A label taken from a package of tea has been sent us from London which reads: "Owing to increased duty this tea is advanced 2d. per pound." Lessons of that kind would not come amiss on this side of the Atlantic, where a belief prevails, fostered by our amiable president, that the tariff is paid by foreigners as an inducement to us to let them send their goods into our markets.

The struggle of the Boston Elevated railway to clinch its monopoly of the

streets of that city for 50 years has brought out the value of franchises of that sort in a striking manner. The corporation offered to construct the proposed Washington street subway, costing at least \$6,000,000, and give it to the city, free of cost, at the end of that term. The 50-years term was reduced to 40, before the bill was reported to the house, and still the company was eager to construct the subway and give it to the city for 40 years' monopoly. But the most interesting development of the fight, after all, was the dependence that is coming to be placed upon the referendum for the protection of the community against such schemes when legislatures prove false to the public interest. The majority in the house for the monopoly was overwhelming, including almost the entire democratic contingent from the city—a very significant "give-away." The bill made no provision for a referendum, although twice before referendums had been held on less important subway legislation. The main effort of the opponents came, therefore, to center upon an amendment providing for a referendum. In this effort were joined many conservative citizens to whom the referendum has heretofore been odious as smacking of populist devices. At the head of the movement was Gov. Crane himself, an extremely conservative capitalist. He squarely announced, at the critical moment, that he would sign no bill that did not provide for the submission of the act to a popular vote. The subsidized press, including republican organs, went wild over this unlooked for stand of the governor, charging him with not only interfering unlawfully with the legislative branch, but also with gross inconsistency, as he had refused, with equal determination, last year, to permit a popular vote on the absorption of the

Boston & Albany by the Vanderbilts, or on the consolidation of the Fitchburg with the Boston & Maine. But the governor was immovable. And when, despite his warning, the legislature passed the bill without a referendum clause, he for that reason promptly vetoed it. Gov. Crane is a distinguished gain for the referendum.

That so large a majority (for it was nearly up to two-thirds) should have been controlled by the Boston lobby in opposition to a referendum, is remarkable in the face of the fact that both parties of the state are on record in their platforms in favor of the referendum. The democratic platform of last year declared its condemnation of—

the present republican administration of this state for its subservency to monopoly. It has betrayed the confidence of the people. The refusal of the republicans to allow the referendum on the Boston & Albany lease is absolute evidence that it is the party of monopoly.

That lease was allowed by Gov. Crane, and his act allowing it is the basis of the present accusation of inconsistency. Yet democratic representatives join with republicans in voting against referendum on the subway bill. It is a pleasure to record in this connection the action of the Bryan club of Cambridge, which, though a democratic organization, has formally thanked the republican governor for his action on the referendum question. As the mover of the resolution put the matter, the republican governor "has saved the great democratic metropolis from its democratic representatives."

Philadelphia is not so fortunate in its chief magistrate. The most un-

blushing street grab in the history of corruption in American politics has just been consummated there. It is a grab which in its possibilities extends to all the cities of the state. Senator Quay is the leader of this cynical assault upon public rights. Under his direction a new kind of railway bill was "jammed" through the legislature and signed by the governor. It provided in general terms for the incorporation and regulation of street railway companies—for elevated, underground or surface purposes, or all these—giving to them the right of eminent domain. This right, with reference to particular property, attaches by the law to the corporation first claiming it in its charter and describing the property it requires. Before the public was aware of this new law, Quay's pirates had filed charters covering the streets of scores of Pennsylvania cities. If the law holds, they thereby acquired the first right to condemn those streets for street railroad purposes, and the right will be good for seven years without being used at all. In other words, these charters have now a salable value, as mere legal rights to blackmail cities. Among the charters were 14 for Philadelphia, covering every feasible traction route—surface, elevated and underground—in the fraternal city.

The next step with reference to Philadelphia was to rush through the councils a grant of the routes claimed by those 14 Quay companies, on the cheapest possible terms. And the terms granted were indeed the cheapest possible. These street car rights to the enumerated routes were granted for nothing, and fares were fixed at five cents! This gigantic swindle went through the councils without a hitch. Only Mayor Ashbridge's veto power now stood in the way of the corporations, and that was known to be a broken reed for the public to lean upon.

But John Wanamaker came forward with an effort to stop the robbery. He wrote to the mayor a letter

that will always count one for Mr. Wanamaker when his record as a public-spirited citizen is in question. Declaring that he was in no wise interested in railroad enterprises, yet, for the purpose of justifying the mayor in vetoing the robbery, Mr. Wanamaker offered for the franchises about to be given away, the sum of \$2,500,000. In explanation, he said:

My offer of \$2,500,000 is not because I conceive that sum to be the measure of the value of the franchises granted by these ordinances, for I believe them to be much more valuable, but merely as an indication to your honor in concrete form of the magnitude of the gift conferred upon private citizens without return to the people. It seems to me that to give away such franchises for nothing when others stand ready to pay millions for the same rights is little short of public plunder. I earnestly urge upon your honor, therefore, that you will veto the ordinance now before you and secure, as you can so well do with your known influence in the legislative body, the sustaining of your veto, in order that new ordinances may be drafted conferring the franchise in question only upon the payment of a sum of money into the public treasury commensurate to the value of the grant. I will cheerfully pay the sum I have named, but I suggest to you that if the new ordinance required the franchise to be put up at auction and sold to the highest bidder, an amount largely in excess of that which I have designated could be readily secured.

Discussing the matter in other parts of his letter, Mr. Wanamaker reminded Mayor Ashbridge that—

every attempt in the councils to require the corporations favored by the ordinances to limit the fare to three cents and to give free exchanges and other propositions having in view the public interest were incontinently voted down. As the case stands to-day before you, therefore, the people will get nothing for these franchises, their treasury will not be one cent the richer, passengers will have no cheaper transportation, and the only gainers will be those financially interested in the projects to which your honor is asked to give the sanction of your approval. As I have already said, it is not my desire to embark in the business of passenger railroads; but I do not feel like standing idly by while gifts of such enormous money value are made so recklessly, rashly and hurriedly to predetermined corporations without any return to the people whose property is to be used for private specu-

lation and from whose pockets will come every dollar that goes into the corporate treasuries.

Mr. Wanamaker was right in supposing that his offer, large as it was, was only a trifle in comparison with the real value. The enormity of this steal is almost beyond calculation. When asked about the matter, Mayor Johnson, of Cleveland, who has been all his life a street railroad operator, replied:

The most recent wholesale giving away of public franchises in Philadelphia is one of the greatest outrages ever perpetrated in America. It is a repetition of what recently occurred at Columbus, O., and has taken place in many other American cities, but in this case is on such a stupendous scale that it should arouse not only Pennsylvania, but the whole country. Unless we can stem this tide of public corruption in the granting, public regulation and taxation of franchises, our whole political system is in danger. Under the direction of political bosses, subservient legislatures and city councils, aided by the mayor of Philadelphia and the governor of Pennsylvania, the people of that state have been deliberately robbed of more than \$100,000,000.

Besides the public-spirited offer from Mr. Wanamaker, the mayor knew that A. L. Johnson's syndicate of experienced street car operators and wealthy capitalists was endeavoring to secure franchises at a three-cent fare with universal transfers, as a business investment. But, as had been suspected, the mayor did not hesitate an instant in signing the obviously corrupt franchises which the councils had voted to the Quay combine. The referendum would have prevented that grab. It would prevent every grab except when a majority of the people themselves want to make it. In view of the experience of Philadelphia and the more gratifying experience of Boston, is it not time for other communities to protect themselves by making a referendum vote the condition of all street franchises?

The Philadelphia street car question now goes into the courts, and the fight will be triangular. At one point of the triangle is the Elkins-Widener combination, which owns the franchises now operated. At another are

the Quay conspirators, who have killed two birds with one stone by acquiring enormously rich pickings for one thing, and for another by getting even with Elkins and Widener for political disloyalty to Quay. The third contestant in the triangular fight is A. L. Johnson, who acquired the necessary corporate rights under the old law, and has applied for street rights on the basis of three-cent fares and universal transfers, but no payments either into the public treasury as a tax or into the pockets of officials as bribes or blackmail.

The Cleveland board for the decennial revision of tax valuations proves to be no better disposed to support Mayor Johnson in his efforts to equalize taxation by shifting the onerous burden somewhat from the shoulders of small property owners to rich monopolists who now escape so large a share, than were the county auditors who stood so valiantly by the tax-dodging railroads. Yet Mayor Johnson's propositions with reference to the decennial appraisalment are simple, sensible and fair. He explained them at two meetings in the city hall last week, at which the decennial board, the annual city board and a large representation of local property owners were in attendance upon his invitation.

Taking the Fourth ward for the purpose of illustrating his plan (which is the plan adopted successfully in St. Paul a few years ago by W. A. Somers, when he was assessor there), Mr. Johnson displayed upon a large blackboard a map of the ward with its streets and squares outlined. Each square was numbered in a circle to distinguish it for reference. Within the squares, at each of the four sides and midway between street corners, was written the actual market value per front foot (100 feet deep), as ascertained by the tax experts of the city tax bureau; and opposite these figures but within the street instead of within the square, was set the actual market value of the same property

as found by the tax officials. A few extracts from the map will indicate the fluctuating valuations which these officials have made. They have valued some property worth \$200 per front foot at \$120, some worth \$400 at \$354, some worth \$150 at \$147, some worth \$800 at \$406, some worth \$2,200 at \$2,190; some worth \$350 at \$267, some worth \$350 at \$260, some worth \$350 at \$215, and so on. The Somers plan, which Mayor Johnson recommends, contemplates the adoption, as the unit of valuation, of one foot front (100 feet deep) at the point on a square farthest from the value influences of the corners. It was for that reason that the mayor expressed upon the map those interior, lowest, or unit values. According to the Somers theory, a mathematical calculation upon a regular scale from the units, will yield (not accurately, to be sure, but with reasonable approximation), the value per front foot of all the rest of the land of the square to which the units belong.

In the course of his explanation at the first meeting, Mayor Johnson soon had his theory brought to a striking test. "Here is a square," said he, pointing to his blackboard map, "where the value of a front foot on one side is \$200, and on the other three sides it is respectively \$300, \$400 and \$500. Now these are the units of value by which we can ascertain the value of every foot front on the four sides of this square." A member of the decennial board, Mr. B. F. Phinney, interrupted: "Do you mean," he asked, "that after finding these units of value you can ascertain the value of all the property in that square without viewing the property?" "Absolutely," replied the mayor; "absolutely. We can assess every foot of land in the city without seeing it." But Mr. Phinney was incredulous, and other members of the decennial board exclaimed that it could not be done; whereupon Mayor Johnson took the units of a square the true values of which were well known by those present, and using the Somers system, which he

had been explaining, calculated with substantial accuracy from those units the values of the rest of the square.

What followed we quote from the Cleveland Plain Dealer's report:

"This is Somers' system," said the mayor, "and by it all property in St. Paul was assessed. No system is infallible. This one is not, for, after all, it is only the judgment of men. What I contend is that by this system you can arrive more nearly at the true result. It is simpler than any we know of and certainly better than the one on which you have always worked." He then pointed out glaring inequalities as they exist in present values, and demonstrated how it would have been impossible for such errors to have been made by following the unit rule of values. "Now, what I want you to do," continued the mayor, "is to meet here and take up one ward of the city after the other. I will have maps drawn like this, showing you what we regard as the true values. You need not accept them; you can make such changes as you like. Let the people know when the various wards are to be considered and ask them to come in and give their ideas as to the value of their property. It makes no difference to me what values you place on the properties. All that I ask is that you agree on some unit of value so that all property will be assessed uniformly and fairly. Let us find the true value and then you can put it on the duplicate for 60 or 20 per cent. of its value—I don't care which, just so it is all treated alike."

But uniformity of tax valuations is one of the last things that your ordinary tax equalizer wishes to arrive at; and, since Mr. Equalizer Phinney had been so neatly headed off by the mayor in one direction, Mr. Equalizer Healey tried another. "How many years," he asked, with a confident expression, "do you imagine it would take us to assess property according to your method?" Mr. Healey fared as ill as Mr. Phinney. "Let's see," returned the mayor—

there are 42 wards in the city. It would take just 42 afternoons to arrive at the unit values. After that it is a mere matter of work for clerks. You gentlemen come here with the people and agree on the unit values. Then we will have the map photographed with the figures you have agreed on; the board can be cleared and another map drawn. The photo-

graphs will be placed in the hands of clerks. I will employ just as many as are needed, and they will figure out the value of all the property in the wards on the basis of the unit values which you have agreed on. After they have found the value of all the parcels of land in a ward the figures will be submitted to you. Then you can call in the people as the law requires you to, and tell them the values you have placed on their land. You can make such changes as you see fit. You do not bind yourselves to accept our figures. All I ask is that you agree on some figures as a basis of calculation.

Once more the boards attended the mayor's meeting for the study of taxation, and then the decennial board decided neither to adopt the system nor to attend any further meetings. The members were too close to what they don't want to find. In explanation of their decision they adopted the following resolutions:

Whereas, the Hon. Tom L. Johnson and Mr. M. W. Beacom have filed a general complaint with the city decennial board of revision against the alleged low valuation of each and all parcels of land in this city as returned by the late city decennial appraisers, and equalized by the late city decennial board of equalization; and whereas, Mayor Johnson has suggested and presented a certain method and rule to this board for consideration, alleging that its adoption would insure a more uniform, equitable and excessive valuation of said land; and Whereas, after respectful and careful consideration of said method and rule this board has failed to find it in any way auxiliary to this board in completing the work devolving upon it, or in any way beneficial to the taxpayers of this city, involving as it does a practical reappraisal of each and every parcel of land in the city, which this board has neither the time nor authority to undertake;

Resolved, therefore, that this board continue to consider each and all lawful complaints filed with it, and proceed to equitably revise and adjust each and all such complaints in accordance with the rules and instructions as set forth by the revised statutes relating to this subject.

The annual city board was not disposed to be thus obstructive to the mayor's plans for securing uniformity. It expressed its willingness to meet with the mayor for the purposes set forth by him in this connection,

whenever he desires. Accordingly Mayor Johnson is proceeding before the annual board, which is passing upon the valuations ward by ward. It first decides upon the unit values of a ward, then turns the matter over to experts who calculate from these units the values of the remaining land of the ward, and, says the Plain Dealer,—

as soon as that is done the annual city board, or some individual, will present the result to the decennial board of revision, complain that the existing valuation of every parcel is unfair, and demand that the values be changed to correspond with the figures presented. The decennial board may decline to make any changes. In that event legal steps may be taken to compel it to act, but in any event the valuations as found by the mayor's system will, it seems, eventually be placed on the duplicate. The decennial board dies in January and the annual city board then assumes jurisdiction over real as well as personal property. Four members of this board were appointed by the mayor. They believe in his system in every respect and will place the new valuations on the duplicate. There is a serious question whether the annual city board hasn't the power to do that now, but to obviate any possible legal tangle the mayor wanted both boards to act together.

"Do you contend," the mayor was asked yesterday, "that the annual city board has any jurisdiction over real estate?"

"I am not a lawyer," he answered, "and do not pretend to be able to answer that question. The supreme court said there was some doubt about the matter, and good lawyers differ. We will ask the decennial board to place our figures on the duplicate. I am not prepared to say what course will be adopted if it refuses, but whatever is done our work will go right on. The annual city board has consented to meet with citizens in room 109, city hall, and agree on the units of value of property in every ward of the city. Our force of clerks will take these units and figure out the cash value of every parcel of land. Next year the annual city board will have power to revise real estate values as it likes, and it will then rearrange values as agreed on at these meetings. Every map will be drawn in chalk on the blackboard and after the board has agreed on the units of value the result will be photographed and the board cleared for a new map. The Fourth ward is now cleared up so far as the preliminary work of the board is concerned, and photographed. It will be cleaned to make room for the Second ward, which will be taken

up Thursday. We have sent postal cards to the people of that ward, asking them to come in and take up the matter with the board. I do not contend that our method of getting at the real values is perfect, but I do say it is nearer perfection than the one that is now in operation or any that has been followed in Cleveland heretofore. At least it will result in all property being placed on a uniform basis of value."

It is exceedingly difficult, of course, for some of the good people of Ohio to divest their minds of the suspicion that these proceedings of Mayor Johnson's have their impulse in personal ambition. Unaccustomed to public men who devote themselves with personal disinterestedness to the public service, they are unwilling to believe that Johnson is doing so. They are, therefore, alert to discover some personal object, and have jumped at a suspicion that he seeks the governorship. He denied this early in April. Mr. Thurman having asserted that Johnson would not be a candidate for either governor or senator, Johnson was asked if it were true, and he replied in a letter of April 15:

Your favor of the 9th received. In reply, permit me to say that Mr. Thurman is right. It will take all of two years for me to come anywhere near complying with the expectations of my friends here, and to that end I expect to devote the whole of my time, and will not become a candidate for either office mentioned.

But this was not enough. The cry went up all over the state that Johnson was preparing for the gubernatorial nomination. There was nothing to give color of truth to the cry except the fact that Johnson is working hard to secure the adoption of a platform demanding equality of taxation. But dispatches announcing his willingness to accept the nomination were circulated in June. One of them called out a request from the Evening Democrat, of Dayton, to know if it was true. Johnson's reply, dated June 13, was as follows:

There is absolutely no truth in the statement. Would decline nomination and would refuse to serve if elected. Is that strong enough? Nothing on earth would tempt me to

break my two years' contract with the people of Cleveland.

Upon dictating this reply, Mayor Johnson remarked:

I hope the citizens of Cleveland will soon realize that I am to devote my entire time to their interests during the period of my office.

The citizens of Cleveland are beginning to realize that; but with many, the more distinctly they realize it the more this new kind of politician mystifies them.

A disturbing question has been asked of one of Chicago's leading bankers. In a school address this banker had intimated that business success is not difficult of achievement, saying in that connection that he would "consider any business man who, at 35, has an annual income of \$5,000, as fairly successful." It was this remark that drew out the disturbing question. "I should like to ask," said the questioner, referring to the banker, "how many successful business men he is personally acquainted with who have achieved this success without the aid of inherited capital, by their own efforts, in legitimate business, not by speculation. Perhaps the list would not be so long but that he could show, in a general way, how they could build up such a business." Though the question was asked in a leading newspaper, and must have been seen by the banker, we are not aware of the publication of any reply.

HAZEN S. PINGREE.

The outburst of affectionate feeling for Hazen S. Pingree which followed the announcement of his death, is an indication of the confidence he had really inspired by his public life. None of the glamor of high office surrounded him when he died. Though he had been four times mayor of Detroit and twice governor of Michigan, he was then a plain citizen, with no associations to excite public feeling except his record. But that was enough. And we firmly believe that as time brings it out into clearer view, he will loom up larger and larger in the estimation of the people

whom he devotedly served, more devotedly than they realized while he lived, in the two public offices he held.

Gov. Pingree was one of the really great men of the republican party. He was one of the men to whom the word "republican" meant what it meant to Lincoln and to Chase. It was identified in his mind with Thomas Jefferson, the founder of the democratic party, which at first was christened and for many years bore the name "republican." But he did not rise to prominence in his party while Jeffersonianism inspired its counsels. His period of political work came at a time when the party was drifting into the ruts and sloughs into which Jefferson's had drifted when the great republican leaders of the fifties seized the drooping Jeffersonian banner and raising it aloft proclaimed a revival of democracy. Yet he was equal to the occasion so far as one leader could be. Even at the cost of denunciation by his associates for disloyalty, he held up the original standards of the republican party against the money oligarchy of his time as its founders had held them up against the slave oligarchy of theirs.

Gov. Pingree was as severely criticized by many who belonged with him as he was denounced by others whom he counted as treacherous to the principles of his party and to the people. Indeed, he was not perfect. But that he was a man of robust honesty, with the full courage of his convictions, and an understanding of public problems that went ahead rather than fell behind the understanding of the people themselves, will hardly be disputed now that the jealousies and hatreds and suspicions that assailed him in his public career are allayed with the ending of his life.

If the republican party of the future does not honor the memory of Hazen S. Pingree as one of the jewels in its crown of leadership, it will be because its managers look ahead to yet deeper depths of plutocracy to plunge it into. But whatever party managers may do, the people regardless of party, as they come better and better to understand the crisis they are passing through, will more and more appreciate the value of Mr. Pingree's work and the sincerity of his intentions.

AN OFFICIAL EXPLANATION OF THE FAVORABLE BALANCE OF TRADE FALLACY.

Such frequent and extended exposures of the balance of trade fallacy as we have made would be unpardonable, were it not that this fallacy is the last stronghold of protection. When its absurdity shall have been generally recognized protection will collapse.

In considering one phase of the question last month (page 51), we described the balance of trade theory as so exceedingly fragile that it cannot endure discussion, and predicted that its end was near, since discussion had begun. Our reference then was to an attempt to explain it in the London Daily Mail. The matter has since advanced a point. No less authority than the head of the bureau of statistics of the American treasury department has come forward with an explanation.

Hitherto protectionists have contented themselves with the specie payment explanation. Asked how it is possible for a country to grow in wealth by sending more goods away than it gets back, they have replied that the balance comes back in specie.

"It all comes back in pure gold," said President McKinley, as recently as October 16, 1899, at Mount Horeb, Wis. That was clearly a mistake, as the treasury statistics have for years abundantly shown. Whether our country gets paid or not for its excessive exports, it certainly has never been paid for them in gold. This is distinctly admitted in the treasury explanation mentioned above, to which we now invite attention.

I.

The document was called out by an inquiry from Mr. Dadabhai Naoroji, an exceedingly intelligent and inquisitive Hindu, who lives in London.

Mr. Naoroji had observed the phenomenon of excessive exports in his own country. Anyone else may do the same, by referring to the Statesman's Year Book for 1900 (Macmillan & Co.), at page 152. The exports from India from 1895 to 1899, both years inclusive, exceeded the imports for the same period by nearly 150,000,000 Rs.—about \$750,000,000. But this great excess of outgo from India was easily accounted for by Mr.

Naoroji, who attributed it to the fact that England drains India of her produce by systems of tribute.

Though that explanation of the excess of Hindu exports was as easy as play to Mr. Naoroji, nothing seemed to explain to him the excess of American exports. So he put his problem to the American treasury department.

Quoting treasury figures showing our large excess of exports, not of merchandise alone, but, as with India, of merchandise, silver and gold, all together, he wrote:

In India a heavy net excess always takes place because the system of government of India compels a heavy tribute, i. e., compels a large drain of the produce of India to England without any material return of merchandise or specie. But America is not under such a drainage system of an alien foreign government; and I, therefore, desire to know the causes, and their extents, of such heavy net excess of exports of America's wealth or produce, and how this large "balance of trade" is expected to be settled.

To this inquiry of the puzzled Hindu the head of our treasury bureau of statistics replied at length, and a long extract from his reply was telegraphed to the American newspapers about the middle of May. As that extract appears to cover the ground, it may be fairly assumed to comprise all of the letter that is material to the subject. We therefore give the extract in full as the first authoritative and only important defense of the perpetual export theory of American commerce:

During the period immediately following our civil war great internal development of our railways and manufacturing occurred. Much foreign capital was brought into the United States for use in this development, and during that time, and in subsequent years, railroad and other securities were largely marketed abroad. The commercial result of this development of railways and manufacturing establishments, including the opening of new fields of production, was an enormous increase in the exportations, and a disposition relatively to decrease the importations because the development of manufacturing was making it practicable to produce at home from our own materials much which was formerly brought in from abroad. Thus the great business development of the years 1870 to 1890 had a tendency to stimulate production and exportation, but discouraged importation, and, as a consequence, exports exceeded im-

ports in a constantly increasing ratio. The fact, however, that large sums had been borrowed from abroad for the internal developments above alluded to required payments of large sums for the annual interest charges, and thus absorbed a part of the proceeds of the surplus exports. The earnings of foreign capital invested in great enterprises in this country, other than that obtained by the sale of bonds or by direct loans, also require considerable sums for the payment of the dividends and profits of the enterprises in which it was invested. The further fact that internal commerce and investments in internal developments were extremely profitable, reduced and temporarily suspended shipbuilding in the United States, and, as a consequence, the increasing traffic came to be carried more and more in foreign ships, and the payment of the freights thereon, especially the freights upon imports, again absorbed a large additional amount of the proceeds of the excess of exports.

Another factor to be considered is that of the money expended by Americans traveling abroad who usually take their funds in the form of letters of credit, and draw from time to time for such sums as they require, and this, of course, proves an offset to that extent against the balance which would otherwise be returned to the United States in the form of cash.

Until recently these four great factors—(1) the payment of interest on American securities held abroad; (2) the payment of earnings of foreign capital invested in business enterprises in the United States; (3) the payment of foreign freights carried in foreign vessels, especially freights on goods imported into the United States, and (4) the expenditures of Americans traveling abroad, have been considered the chief cause of the fact that the exports of merchandise so much exceeded the combined imports of merchandise, specie and bullion. Within the last two or three years, however, three further factors have apparently been added—(1) the cancellation of American indebtedness abroad, including a return to the United States of the railroad and other securities thus held; (2) the sale of foreign securities in the United States, such as the German, British and Russian securities which were placed upon the markets here during the last year, and in most cases quickly taken to the amount of probably \$100,000,000 in the year; and (3) the credits which now stand abroad in favor of our exporters, and which are permitted to so stand because better interest rates could thus be realized than by insisting upon their immediate payment.

The sums of money represented by these various factors, which presumably about equal the excess of exports over imports, have been variously es-

timated, and up to the present time no means of obtaining more than estimates have been devised. These estimates usually put the amount paid to foreign vessels as freight on imports at about \$50,000,000; interest on, and earnings of foreign capital, \$75,000,000 to \$100,000,000; money expended abroad by Americans, \$75,000,000 to \$100,000,000; American funds invested in foreign securities in 1900, about \$100,000,000; and credits permitted to stand abroad in 1899 and 1900, each about \$75,000,000 to \$100,000,000; to which must be added the amount of our foreign indebtedness actually canceled by the return of securities for which no definite estimate has, so far as I am aware, been made.

The United States is rapidly increasing her production, especially of the minerals and of manufactures for exportation, while the rapid development of our manufacturing industries steadily reduces the relative importations of manufactured goods, though the raw materials required for our manufacturers, especially those of a tropical and sub-tropical nature which we cannot produce at home, are constantly increasing, as are also the tropical foodstuffs of which we do not produce a sufficient quantity to meet our own requirements. The fact that we are rapidly becoming a creditor instead of a debtor nation will reduce to a minimum and wipe out the annual balance for payment of interest on our securities held abroad, and finally for the liquidation of those securities, and to this extent the absorption of our favorable balance of trade will be rapidly reduced; while the present disposition to encourage the reestablishment of our shipping industry in a sufficient volume to carry our growing commerce seems to justify the expectation that this drain upon our surplus may be at least somewhat reduced in the near future. Our foreign credits, as above alluded to, have increased largely during the last few years, and foreign obligations have been taken by investors in the United States in large sums; but it seems at least probable that two of the factors which absorbed a considerable share of the favorable balance, viz., the payment of interest and indebtedness abroad and payment of freights to foreign vessels, will within a comparatively short time be materially reduced, and thus require a settlement with specie and bullion of a larger proportion of the trade balance than has been the case in former years.

The foregoing official explanation will be more readily grasped if summarized.

It falls into nine general divisions.

(1) Foreign capital was imported for the benefit of our railways and

manufacturing, immediately after the civil war, and American securities went abroad to certify our consequent indebtedness. The resulting development for the years 1870 to 1890 made it practicable to produce at home from home materials much that was formerly imported, and this caused exports to exceed imports in a constantly increasing ratio.

(2) The importations of foreign capital, mentioned above, required the payment to foreigners of annual interest charges on so much of that capital as was obtained in exchange for bonds or other direct loans. These charges have absorbed a part of the excessive exports.

(3) Similarly, dividends and profits earned by so much of the foreign capital as was not loaned but was invested in American enterprises, have absorbed a further share of the excessive exports.

(4) Since most of our ocean freightage is earned by foreign ships, another share of our excessive exports is retained by foreign ship owners.

(5) Still another is chargeable to foreign expenditures by American tourists. The amount of these drafts is to that extent an offset to our excessive exports.

Until recently those four factors—(a) payment of foreign interest on American securities; (b) payment of earnings on foreign capital invested here; (c) payment of foreign freights; and (d) tourists' expenses—have been the chief offset to our excessive exports. But within two or three years three other factors, specified below as 6, 7 and 8, have been added.

(6) American investors have been buying American securities held abroad, and charging off their value to our excessive exports.

(7) American investors have been buying German, British and Russian securities, and charging off their value to the same account.

(8) American credits abroad are caused by excessive exports allowed to stand in open account because foreign interest rates are more profitable than American interest rates.

(9) The final division of the treasury document here summarized is nothing but a speculation as to the future. Since "we are rapidly becoming a creditor nation," and as there are

reasons to expect shipping subsidies, "a settlement with specie and bullion of a larger proportion of the trade balance than has been the case in former years," is probable.

The figures set forth in this official explanation, as offsets to the American export balance, we tabulate for more convenient reference, adopting for each item the maximum amount as estimated by Mr. Austin in his foregoing letter:

Interest and dividends on foreign capital, annually	\$100,000,000
Foreign freights on imports annually	50,000,000
Tourists' expenses, annually	100,000,000
Purchase of foreign securities in 1900	100,000,000
Open credits drawing interest abroad in 1899	100,000,000
Open credits drawing interest abroad in 1900	100,000,000
Purchase of American securities from abroad and cancellation of other American debts to foreigners	Not estimated

The questions raised by this treasury letter to Mr. Naoroji were fully and minutely considered in these columns (vol. iii., p. 291), last summer. We shall not repeat that presentation of the subject now; but will confine our observations to a direct reply to the treasury letter.

II.

The treasury letter begins with an attempt to lay a foundation, in the development period following the civil war, for its subsequent explanations. "Much foreign capital," it says, "was brought into the United States for use in this development, and during that time and in subsequent years railroad and other securities were largely marketed abroad."

That American securities were largely marketed abroad may be at once conceded. But what were they marketed for? Certainly not for any very great amount of capital, as we shall see.

The civil war closed in 1865. From that time until 1869, both years inclusive, (the first part of the period of importation of foreign capital referred to in the treasury letter), the excess of imports, including gold and silver, was only \$177,894,731.

This was all in merchandise, both silver and gold having been exported in that period in excess of the imports of each.

Our figures are taken from page

2,051 of the Monthly Summary for February, 1901, as follows:

Excessive imports of merchandise, 1865-69	\$466,795,999
Excessive exports of gold	222,415,445
Excessive exports of silver	66,436,823
Net imports	\$177,894,731

That table includes all possible foreign capital—merchandise, gold and silver. There is nothing else to which the treasury letter could allude as "foreign capital" "brought into the United States." And \$177,894,731 (the net imports) is not much capital for a developing nation like ours to have borrowed and taken upon investment; certainly not much to serve as the principal factor in a treasury explanation of the absorption of the enormously excessive exports of recent years.

It will be noted, however, that the treasury letter vaguely alludes to the two decades immediately following 1869 as also a period in which this country received foreign capital. What, then, do the treasury figures (same treasury summary, and same page), disclose as to the importation of foreign capital during those two decades?

Lumped together, the figures for the whole period, 1870-1890—show that instead of our having received foreign capital from 1870 to 1890, those two decades gave us an enormous excess of exports. In merchandise, gold and silver this excess of exports amounted to \$1,793,785,504, as exhibited in this table:

Excessive exports of merchandise, 1870-90	\$1,427,096,134
Excessive exports of gold	79,544,887
Excessive exports of silver	287,145,423
Net exports	\$1,793,785,504

There is no dispute, of course, that we did receive foreign capital during those decades. In the former of the two, our imports exceeded our exports, which indicates that foreign capital was flowing in. But in the next, all that capital was repaid and a balance of \$1,793,785,504 rolled up the other way.

This point the treasury letter anticipates and seeks to minimize. It accounts indefinitely for the excessive exports of these two decades by referring to them as a period in which we were able to produce more abundantly at home what we had been accustomed to importing. In consequence, so the explanation runs, "exports ex-

ceeded imports in a constantly increasing ratio." But the explanation fails to explain.

If the excess of our exports was indeed due to our producing more to sell and buying less to consume, then we lost the value of those excessive exports. Unless they were paid for, we must have lost it; and there is no indication in the statistics of any payment. That these excessive exports were not paid for with merchandise exports is not only conceded, it is asserted by the treasury letter. That they were not paid for with gold and silver is apparent from the treasury statistics, which show that during these two decades we exported \$366,690,320 more gold and silver than we imported. That they are not to be accounted for by debts in our favor is evident; for the treasury letter refers to American credits abroad as a factor of very recent date—as not more than two or three years old.

These excessive exports of the decades from 1870 to 1890, then, are to be accounted for (excluding interest, dividends, etc., from the calculation for the present) in only one of two ways. The export balance was either applied to the repayment of previous excessive importations, or else it was a dead loss. At any rate, the treasury letter leaves no other alternative.

III.

Turning now to more definite explanations of the perpetual excess of American exports, the treasury letter enumerates four things, namely, interest on the foreign indebtedness incurred in our development period, dividends on investments made then, freight paid to foreign ship owners, and the expenses of American tourists abroad. We will consider these explanations in inverse order.

Expenditures of tourists are a legitimate explanation. As this item takes wealth out of the country, for which no wealth is returned, it is unquestionably a drain upon the wealth of the country. But such a drain may be beneficial, just as a drain upon a boy's pocket for circus money may be. At any rate, it legitimately accounts for part of our excessive exports.

But for how much? Would the head of the treasury division of statistics indorse the estimate that it

has averaged \$100,000,000 a year since 1865? We think not. For a few years recently it may have reached that sum, and for a year or two it has probably exceeded it, but not much has gone away in all, for Americans traveled abroad but little until long after the civil war. If the total amount were put at \$1,000,000,000 it would doubtless be excessive. And any sum would be subject to reduction by the amount of a considerable allowance for the expenditures of foreign tourists in the United States. Let this item stand, however, at the enormous sum of \$1,000,000,000.

Payment of freight to foreign ship owners is another legitimate item. Nor is this in any true sense a drain of wealth. If we buy \$100 worth of goods abroad, and the foreign ship charges us one dollar for freight, we do indeed pay \$101; but then the value of the goods when they reach us is \$101. The foreign ship owners have enriched our country one dollar's worth, as truly as the foreign exporters have enriched it a hundred dollars' worth. Inasmuch, however, as the value which the ship owners have given us does not appear in the statistics of imports, and the value of the goods with which we pay the freight is supposed to do so, this item of freights is, as far as it goes, a legitimate explanation of our excessive export balance.

How far, then, does it go? According to the treasury letter, it amounts to \$50,000,000 annually. But that average, from 1865 down, would be altogether too much. If it also were lumped at \$1,000,000,000, the allowance would be ample, and there would still be a large sum to deduct for freight on exports to other countries carried by American ships or by ships owned in part by Americans.

The third item of the treasury letter is dividends on foreign investments here, and the fourth is interest on foreign loans. Payments on these two items are estimated in the letter at \$100,000,000 annually. But as they include what in our judgment constitutes a distinct and increasing drain upon American resources, we post-

pone their consideration somewhat further.

Meanwhile, let us take up the three new factors which the treasury letter enumerates—cancellation of American indebtedness abroad, sale of foreign securities in the United States, and American credits now standing abroad in open account for higher interest than can be obtained at home.

As to the first, no estimate of the amount is offered by the treasury letter. It may, therefore, as well as for other reasons, be better considered further on, in connection with the interest and dividends of which it is the basis.

The second item, recent sales of foreign securities in the United States, is put by the treasury letter at \$100,000,000, that being for the year 1900, when most if not all of these sales were made.

The third item of this group, credits abroad on open account, is estimated at a maximum of \$100,000,000 each for 1899 and 1900, or \$200,000,000 in all.

Tabulating these specific items of both groups, we have the following result (still excluding American indebtedness abroad and foreign investments in America, together with the interest and dividends upon them), as the probable maximum of offsets to the American export balance, from June 30, 1865, to June 30, 1900, both years inclusive:

Tourists' expenses	\$1,000,000,000
Freight charges	1,000,000,000
Sales of foreign securities in U. S.	100,000,000
Open credits abroad	200,000,000
	\$2,300,000,000

If the reader will now take the trouble to examine the treasury tables of imports and exports from June 30, 1865, to June 30, 1900, the fiscal years with which the treasury letter to Mr. Noaraji has to do, he will discover that \$2,237,224,626 is yet to be accounted for. We tabulate:

Excessive exports, 1865-1900:	
Gold	\$374,212,885
Silver	587,389,038
Merchandise	3,575,712,702
Net exports	\$4,537,224,626
Accounted for by last previous table	\$2,300,000,000
Exports unaccounted for	\$2,237,224,626

IV.

The explanation of that stupendous unaccounted for balance of exports,

if it is explained at all by the treasury letter under review, must be found in the item of foreign loans to and foreign investments in this country made during the development period succeeding the civil war, together with the interest and dividends subsequently paid upon those loans and investments, items which we may now consider.

In 1873 the United States ceased to be an importing, and became an exporting country. Its exports thenceforth—merchandise, gold and silver—have, with only two trifling exceptions—1887-88—exceeded its imports every year. Any foreign capital, therefore, which we have imported since 1873—excepting only 1887 and 1888—has been fully paid for in the same year with current exports, and a handsome balance has been left over to the credit of tourists, foreign freights, interest, dividends and repayment of foreign capital. So far, then, as estimates from the treasury statistics can disclose the fact, the net amount of foreign capital invested in this country for development succeeding the civil war is limited by the net imports from 1865 to 1873, both inclusive.

By reference to any Monthly Summary of the treasury department (we are using the one for February, 1901, at page 2,051) those imports will be found to be \$362,388,723. Upon the basis of this not very munificent sum rests so much of the treasury letter's explanation of our export balance as relates to foreign loans and investments made during our development period. It can have no other basis.

Now let us follow the record of excessive exports, year by year, from 1873 down, and see whether the unaccounted for part of our export balances is really explained by reference to foreign loans and investments made during our development period. For convenience, we tabulate (merchandise, gold and silver, all being included in the table):

Excessive exports—	
1874	\$57,652,257
1875	51,688,700
1876	120,213,102
1877	166,539,907
	<u>\$366,473,966</u>

It appears, therefore, that the capital of our entire foreign indebtedness

could have been more than paid off with excessive exports by 1877. Observe:

Excessive exports, 1874-77	\$366,473,966
Excessive imports, 1865-73	362,388,723

Surplus \$3,085,243

And if we offset our foreign indebtedness with the excessive exports down to 1878, one year later, we shall not only have paid the indebtedness off, but have paid a profit on it in addition—interest, dividends, or whatever you choose to call it—of \$294,818,278, or over 80 per cent. The next table shows this:

Excessive exports:	
1874-77	\$366,473,966
1878	261,733,035
	<u>\$628,207,001</u>

Excessive imports:	
1865-73	\$362,388,723

Interest, dividends, etc..... \$294,818,278

It may be objected, however, that no allowance is made here for tourists' expenses and foreign freight charges between 1865 and 1879. Very true. We will make the allowance now.

What those items amounted to it is impossible to estimate with certainty. In these days of American globe trotting they are put at \$100,000,000 annually for tourists, and \$50,000,000 annually for freights. They must have been very much less in those earlier days. Suppose we put the two items together at \$100,000,000 annually from 1874 down. This yields the following results:

1874—excess of exports	\$57,652,257
1875—excess of exports	51,688,700
1876—excess of exports	120,213,102
1877—excess of exports	166,539,907
1878—excess of exports	261,733,035
1879—excess of exports	263,363,107
1880—excess of exports	91,792,521
1881—excess of exports	159,246,591
1882—excess of exports	32,847,772
1883—excess of exports	103,989,530
1884—excess of exports	102,523,037
1885—excess of exports	163,851,628
1886—excess of exports	277,368,448
	<u>\$1,861,579,635</u>

Tourists' expenses and foreign freights at \$100,000,000	1,300,000,000
	<u>\$561,579,635</u>

Excessive imports:	
1865-89	\$362,388,723

Interest, dividends, etc..... \$199,190,912

We here find that the American excess of exports (merchandise, gold and silver) from 1874 to 1886, both inclusive, was enough to allow liberally for tourists and foreign freights, and to pay all foreign investments since 1865, with profits, dividends, interest, etc., thereon, amounting to \$199,190,912, or 54 per cent.

While it is true that 54 per cent. would not be a large percentage of profit,

since it is an average of only 2½ per cent. annually for the whole period from 1865 to 1886, yet, when other considerations are brought in, it mounts up. The allowance for tourists' expenses and freight is doubtless excessive for that early period. No account is taken at all of the expenses of tourists in America nor of ocean freight received in this country, both of which are an offset in some degree to American tourists' expenses and foreign freight rates. Neither is any account taken, in computing profits, of the repayment of capital from 1874 to 1886, year by year, profits being computed on the whole amount for the entire period. Considering these things, it is fair to say that from 1874 to 1886 we exported enough wealth—merchandise, gold and silver—in excess of what we imported, to repay all the capital we had imported since 1865, with extravagant profits into the bargain.

From 1886, therefore, our excessive exports should have yielded us that income which the treasury letter under review predicts for a period yet in the distant future—after we shall have cleaned up our borrowings of foreign capital and got a ship subsidy! But instead of yielding us an income, they have been piling up export balances, until now we have an aggregate balance on the export side that is Broddingnagian in its proportions. Here is a statement of it, taken from the same treasury summary as before:

Excessive exports, 1887-1900:	
Merchandise	\$2,684,340,679
Gold	67,483,672
Silver	287,190,564
Total	<u>\$3,039,014,915</u>

Even if we allowed tourists' expenses and foreign freight rates at the full estimates for the whole of those 14 years, the treasury statistician would still have a balance of nearly \$1,000,000,000 to explain.

He could not explain that upon the assumption that we are paying off foreign debts, for this estimate accounts for them as having been paid. Neither could he explain it with \$100,000,000 purchases of foreign bonds, nor with \$200,000,000 in open account abroad drawing high interest. It simply cannot be explained upon the theory that our continuous export bal-

ance is profitable to the country as a whole.

We are not trying to show, of course, that these debts were in fact paid off with interest by 1886. In fact, they were not paid off then, nor are they paid off yet. What we do show is that they would have been paid off by 1886 if the excessive exports from this country had been applied in any reasonable degree to paying them off. The point we make here is that the excessive American exports are not accounted for by assuming that they have gone to pay off foreign debts and investments. There must be some other explanation. Either that, or there was something in the character of this indebtedness and these investments which creates a continuing and increasing obligation.

V.

The point mentioned above, of which so much has been made, namely, that our export balance is accumulating as a credit abroad — this point is not so impressive as it was when the treasury letter to the Hindu economist went over the wires and appeared with large headlines in the newspapers.

It should, indeed, have been discredited by the long continued high price of sight exchange. When we have a balance abroad subject to draft, the price of exchange runs down, because drafts are plentiful in our market. When drafts are not plentiful, the price of exchange goes up. Now exchange, we repeat, has been almost continuously high, thus indicating that there are no funds in foreign banks awaiting our order. But this suspicious circumstance has been explained on the basis of high interest rates abroad. Lately, however, the excessive use of time drafts has attracted attention. Why should people sell time drafts at a discount when they have balances to draw against? The story was told May 23, by the regular correspondent of the Chicago Tribune, who said, writing from New York:

Important banking interests in this city admitted to-day that the belief which has generally obtained that the United States has at present a great international credit balance—that is,

a great mass of debt owed to this country by Europe—is not well founded. As a matter of fact, the United States is in reality, through the operations of the foreign exchange market, borrowing from Europe, although the debt will be settled later in the season, as our grain and cotton crops, which are still to be harvested, are shipped abroad.

One banker said there had for a long time been a deal of misinformation circulated regarding the so-called international trade balance in favor of the United States.

"Since about April 1," said the banker, "some of the largest banking houses here having dealings with Europe have drawn large amounts of 60 and 90 day bills of exchange, and they are still drawing them. These bills are not drawn against balances abroad, but are in the nature of loan bills. Such bills are regularly drawn every summer, but this year they began to be drawn earlier than usual, about April 1, although usually they do not begin to appear until along in May. If any balances existed abroad the bills drawn would be demand bills of exchange, not long bills.

"In figuring the balance in favor of this country on the basis of the net exports of merchandise over the net imports of merchandise, there has been no taking into account of the large amount of money that rich Americans spend there, the money, of course, being drawn from this country. In this category are such men as William Waldorf Astor and Bradley Martin and such women as Countess de Castellane and the duchess of Marlborough. There is a great number of rich Americans living in London, Paris and Italy, and to them can be added a great many more Americans of less wealth who also live abroad and who spend a large sum in the aggregate.

"If actual figures could be obtained it would be found that a net balance at the present moment does not exist as a banker's balance—that is, an actual cash balance."

Supplementary to the foregoing explanation, from the Chicago Tribune, it is to be observed that British interest rates have fallen. American capital can no longer get high interest abroad, yet the excess of exports exhibits no decline.

VI.

But in that quotation from the Chicago Tribune the real explanation of our monumental export balance is indicated. Astor, Martin, Castellane, Marlborough, Scully and a host of other foreigners, who own American land, draw fabulous incomes from this country. These incomes fig-

ure as exports, and there are no imports to offset them. Scully alone takes away probably \$200,000 a year. Then there are foreigners without number who have invested in American land, either directly or in corporation stock, and are now drawing in rents or dividends every few years an income as much as their original investment. What they draw figures in our exports, but we get no imports in return. It all goes to swell that "favorable balance," about which protectionists boast, and an explanation of which the treasury department has tried to make to Dadabhai Naoroji. And now Mr. Carnegie swells the total of our "favorable balance" by his gifts to Scottish universities. The \$10,000,000 in five per cent. bonds of the steel trust, which he has given to these universities, will add to our excessive exports the neat sum of \$500,000 annually, and the full \$10,000,000 when the bonds are finally paid; for not one dollar of which will any imports come over to curse us with excessive wealth.

If Mr. Naoroji pursues his inquiries, he will find that the true explanation of our export balance is essentially the same as that of the export balance of India. We, like the Hindus, pay tribute to foreign owners.

NEWS

The unfavorable news for the Boers that we reported last week is altered this week by an official report from Lord Kitchener of a British defeat. It has again impressed England with the conviction that the war in which the British were supposed to have triumphed months ago is still in ugly shape. Lord Kitchener's dispatch was received in London on the 16th. It told of a surprise on the 12th, near Welmarust, 20 miles south of Middleburg, a railroad town east of Pretoria. The enemy crept up to within short range, says Kitchener's dispatch—

and poured a deadly fire into the camp, killing two officers and 16 men, and wounding four officers and 33 men, of whom 28 were slightly wounded. Only two officers and 50 men escaped to Gen. Beaton's camp. The remainder were taken prisoners, their arms taken from them, and released.

The number of British who were thus

surprised, and of whom only 52 escaped, is given in the dispatch as 250.

This British disaster was hardly offset by a victory reported on the 15th over DeWet in the Orange Free State. It occurred on the 6th, and is reported by Kitchener as follows:

After severe fighting captured a convoy of 71 loaded wagons, 45 prisoners, 58 rifles, 10,000 rounds of ammunition and 4,000 cattle. The Boers left 17 killed and three wounded on the field. Our casualties were three officers and 17 men killed, and one officer and 24 men wounded.

The Weyler reconcentrado tactics appear to be in full operation under the British military regime. Replying to questions in the British house of commons on the 17th, the secretary for war acknowledged that there are 40,229 persons in the reconcentrado camps. The deaths among them for the month of May amounted to 98 men and women and 318 children.

In connection with the Boer war a report regarding British war revenues has just come out in London which is not relished by the large uitlander interests of the Transvaal, to the greed of which the war is attributable, although it seems to be quite considerate of them. Sir David Barbour makes the report. He had been sent by the chancellor of the exchequer to South Africa to investigate the sources of revenue of the Transvaal and the Orange Free State, with the view of estimating how much they should contribute toward the cost of the war; and he reports that while the Orange Free State will be unable for some years to meet the ordinary cost of administration, the Transvaal will soon be able to make contributions out of its ordinary revenues. He recommends a ten per cent. tax on the net profits of the gold mines. This, he estimates, would leave the mine operators better off than before, as they will save, through the abolition of the dynamite monopoly which the Boers maintained, more than the increased tax.

From the Philippines, the principal news of the week relates to the surrender of Gen. Cailles, the arrangements for which were noted in our last issue. According to the dispatches, two representatives of the Filipino general signed at Manila on the 16th an agreement of surrender in his name. The terms are not re-

ported in any particular except that Gen. Cailles is to assemble his men at Santa Cruz, Laguna province, Luzon, as early as possible, and there deliver himself and his command to the Americans.

Supreme court judges of the Philippines have been appointed by the American Philippine commission at Manila. The chief justice is Cayetano Arellano. Two of his associates are Filipinos and four are Americans. The attorney general is an American. Besides the supreme court judges, appointments were made of 17 judges of as many courts of first instance. Eleven of these judges are Americans. All the appointees were sworn into office on the 17th, the usual pledge to support the constitution of the United States being omitted from the official oath. Steps were taken to secure the adoption of the English language by the courts, but it was arranged that Spanish should be used for five years.

American troubles with Venezuela are again brought to the surface by a substitution of American ministers to that country. The disturbed relations between the United States and Venezuela were described in these columns last winter (vol. iii., p. 682), and commented upon editorially at a later date (vol. iii., p. 705), since which time no reference has been made to the subject, because the press has published little about it but conflicting statements and irresponsible gossip. The troubles grow out of a quarrel between two American business concerns having hostile concessions to certain rich asphalt deposits at Lake Felicidad, in Venezuela. Prior to the triumph of the present revolutionary government in Venezuela, under President Castro, one of these companies, the New York and Bermudeze company of New York city, known commonly as the "Barber syndicate," obtained government grants to the asphalt deposits. But when Castro had deposed the government that preceded him, his government cancelled these grants and issued new ones to the rival concern, Messrs. Warner & Quinlan, of Syracuse, N. Y., commonly known as the "Warner syndicate." The "Barber syndicate" thereupon armed its employes, announced its determination to resist the Venezuelan government, and appealed to the American diplomatic representatives for protection.

Such, at least, is the substance of the story as it is spelled out from the newspaper reports. The appeal to the American authorities soon produced diplomatic complications, the nature of which is not very clearly revealed, and, on the 30th of March, Secretary Hay cabled to the American minister to Venezuela, Francis B. Loomis, to return. Loomis sailed on the 5th of April. At one of the ports on the way he stated that the internal disturbances in Venezuela had ceased, that Castro is in control, and that the asphalt controversy had gone into the Venezuelan courts. Some weeks after his arrival home, and on the 17th of the present month, Mr. Loomis was transferred to Portugal, in the place of John N. Irwin, resigned, and Herbert W. Bowen was transferred from Persia to succeed Mr. Loomis in Venezuela. The real reason for the recall and subsequent transfer of Mr. Loomis appears now to be that the Venezuelan government raised objections to his continuing to represent the United States in that country. The objections were based upon his alleged partisanship for the "Barber syndicate" in the asphalt controversy.

Further important details of railroad consolidation in the United States (vol. iii., p. 634) were published on the 17th by the Chicago Tribune. The consolidation comprises, according to the Tribune's estimate, the following roads and mileage:

Atchison, Topeka & Santa Fe....	6,946
Southern Pacific.....	7,614
Union Pacific	4,439
Northern Pacific	4,524
Chicago, Milwaukee & St. Paul....	6,191
Chicago & Northwestern	5,077
Chicago, Burlington & Quincy.....	7,180
Missouri Pacific	5,324
Great Northern	5,127
Chicago & Alton	844
Wabash	2,326
Total mileage	55,592

It is asserted now, says the Tribune report, that all the roads west, northwest and southwest from Chicago to the Pacific coast will be controlled in future by the following interests:

- Lines west of Chicago to the Pacific coast by Harriman, Kuhn, Loeb & Co., and the Rockefeller.
- Lines northwest from Chicago by Hill and Morgan.
- Lines southwest from St. Louis by Gould and the Rockefeller.
- Lines southwest from Chicago by the Atchison, Topeka & Santa Fe, to which probably will be added before

long the Chicago, Rock Island & Pacific.

J. Pierpont Morgan and E. H. Harriman, however, will be the real dictators and direct the policy to be pursued by these combinations.

Although the combinations described by the Chicago Tribune have probably not yet been completed, efforts now being made to that end will in all probability succeed.

Not so completely unrelated to this railroad combination as it might at first seem to be, is the state conference which met at Kansas City, Mo., on the 18th for the purpose of extending the public ownership party of St. Louis to the entire state of Missouri. This movement is one of the larger manifestations of the popular unrest caused by the progressive consolidation of monopolies. The St. Louis "Public Ownership" party originated in a democratic revolt against the democratic nomination for mayor last spring of a prominent supporter of President McKinley at the two preceding presidential elections. In opposition to this nomination, the "Public Ownership" party named Lee Meriwether for mayor and he polled nearly 30,000 votes (p. 17). At the state conference at Kansas City on the 18th there were in attendance on the first day 55 delegates. They were classified by the press as to political affiliations as follows:

Public ownership party, 23; populists, 18; progressive people's party, 2; socialist party, 1; silver republican party, 8; Bryan democratic party, 3.

J. H. Cook was chosen temporary chairman of the conference. It was held behind closed doors. The conference continued in session on the 19th, when it was decided to call a state convention upon the basis of the following principles:

Public ownership of all public utilities, as railroads, telegraphs, etc. While awaiting the legislation necessary to secure public ownership, rigid control of freight and passenger rates, and severe penalties for rebates and other discriminations by railroads. Taxation of railroads and other public utility corporations in the same proportion as the value of farm and other property. Direct legislation by the initiative and referendum. A graduated income tax. That whatever is used as money shall be full legal tender, issued by the general government in sufficient volume for business purposes, and that volume fixed in proportion to population. Just election laws throughout the state. Home rule for cities and

abolition of the present system of using the police as a standing army to carry primary elections in the interest of dishonest politicians representing still more dishonest special privilege corporations. Election of United States senators by popular vote.

Press dispatches having circulated a report that William J. Bryan is promoting this organization as a third party movement with a view to forcing his nomination for president in 1904, he replied on the 19th to an inquiry of the Atlanta Constitution that there is "no truth in the report."

NEWS NOTES.

—The fourth daughter of the tsar of Russia was born on the 18th. He has no sons.

—An invention of wireless telephones, by Samuel P. Levenberg, a boy of 18, is reported from New York.

—The census returns show the United Kingdom to have a population of 41,454,578, an increase in ten years of 3,721,656. There are 1,082,619 more females than males.

—The king of Italy is reported to have confided to a conservative deputy his confidence, based upon socialist speeches in parliament, that if the socialists were entrusted with the government they would do good work for the country.

—In London, on the 18th, Hazen S. Pingree died. He was mayor of Detroit four successive terms, 1889 to 1897, and governor of Michigan from 1897 to 1901. The public funeral at Detroit is set for July 4. Gov. Pingree's age was 60 years.

—Arrangements have been made for almost continuous communication by wireless telegraphy with trans-Atlantic steamers while at sea. An experiment with the Marconi system on the 15th, under the management of the New York Herald, proved the feasibility of the plan.

—The statistics of exports and imports of the United States for the fiscal year beginning July 1, 1900, to and including May 31, 1901, as given by the May treasury sheet, were as follows (M standing for merchandise, G for gold and S for Silver):

	Exports.	Imports.	Balance.
M ...	\$1,255,013,596	\$754,893,644	\$630,149,951 exp
G ...	47,840,233	62,790,444	14,950,111 imp
S ...	59,716,276	34,609,369	25,106,906 exp
	\$1,492,570,203	\$852,293,457	\$640,276,746

—The Northern Ohio Democratic Club of Women, which meets every Friday evening at 844 Prospect street, Cleveland, has set an example to democratic clubs, whether of men or women, in entering systematically upon the study of natural taxation, and in welcoming all comers who are

interested in the subject to join them in the study.

—Prof. Truman Henry Safford, whose death, at the age of 65, is just announced, besides being distinguished as a mathematician and astronomer, was noted from boyhood for his wonderful powers of mental calculation. When a mere youth he could mentally extract the square and cube root of numbers of nine and ten places of figures, and could multiply four figures by four figures as rapidly as it could be done upon paper. In 1845, when he was nine years old, and nine years before he was graduated from Harvard college, he prepared an almanac, and at the age of 14 he calculated the elliptic elements of the first comet of 1849. By a method of his own he abridged by one-fourth the labor of calculating the rising and setting of the moon. After long and difficult problems had been read to him once he could give their results without effort.

MISCELLANY

ACHIEVEMENT.

Who says we fail? We prosper beyond dreams.
As architects of ruin we have no peers.
We thought to fire but farmsteads; we have lit
A flame less transient in the hearts of men.
We are ill at building? Yet have we at least
Destroyed to better purpose than we knew.
We have raised up heroes where we found but hinds,
We have ravaged well, our rapine is not vain.
Redder from our red hoofprints the wild rose
Of freedom shall afresh hereafter spring,
And in our own despite are we the sires
Of liberty, as night begets the day.
Sufficient claim to memory this I deem,
Title now, were other passport none.
—William Watson, in London Speaker.

A JOHNSON STORY.

This is the way that a simple query by Mayor Tom Johnson startled and dismayed a group of county auditors—if a prominent citizen can be believed:

Mayor Johnson—Who held the pass at Themopylae?

First Auditor (hastily)—I—I didn't!
Second Auditor (hesitatingly)—Wh-what road is that town on?

Third Auditor (belligerently)—You can search me!

Fourth Auditor (apologetically)—I—I borrowed mine!

Fifth Auditor (aggressively)—What are you lookin' at me for?

Sixth Auditor (bravely)—Well, supposin' it was me—what you goin' to do about it?—The Cleveland Plain-dealer.

A SINGULAR TRANSFORMATION.

England is just now the scene of a singular transformation of sentiment. Only one generation has passed since the tory party uttered a fierce peal of exultation over what it supposed to be the downfall of the American republic; since it was pouring from its organs in the press day after day a torrent of hatred and insult on the north; following with delight the ravages of the Alabama; and doing its utmost in conjunction with the southern envoys and the French emperor to bring about the recognition of the slave power. Now behold this same party at the feet of a group of American millionaires, assiduously flattering their self-esteem; showering compliments on the American republic; swearing eternal friendship with it; and declaring that the British and American flags shall henceforth be always displayed together. It is a curious spectacle for the survivors of the party in England which stood by the American republic in the day of distress, and was fiercely villified by the tory party for so doing. But such is the fashion of the world. Our own tories, much less than a generation ago, would not tolerate the sight of the American flag on this side of the line. What will they say now? If the Americans can be flattered and cajoled out of commercial competition, a great diplomatic triumph will have been gained.—“Bystander” (Prof. Goldwin Smith), in Toronto Weekly Sun.

DEAN WILLIAMS ON PRESIDENT SCHWAB.

Special telegram sent from Painesville, O., under date of June 16, to the Cleveland Plaindealer.

Rev. Charles D. Williams, D. D., dean of Trinity cathedral, Cleveland, in his baccalaureate address to the graduating class of Lake Erie college here to-day took a shot at the sentiments regarding the utility of a college education, expressed recently by Charles Schwab, president of the steel corporation. Dr. Williams agreed with the opinions of President Schwab and took occasion to deprecate the attacks on them and the multitudinous denials of their truth.

Dr. Williams first decried what he called “our vulgar haste to crowd young men and women into the active pursuits of life, unprepared physically or mentally for the contest.” From that he turned his attention to President Schwab. Addressing the class, he said: “For a career of mere money getting I do not doubt that such education and culture you have received would be of little or no benefit to you.

“Indeed, for such a purpose it might be a hindrance. It would lead to the formation of tastes and ideals that would demand something more than the amassing of money. A pig is better fitted for a scramble in a trough than a scholar.”

MAYOR JOHNSON ON PRESIDENT SCHWAB.

“Education hurts no man,” said Mayor Johnson yesterday, when asked for an opinion of the statement of President Schwab, of the \$1,000,000-000 steel trust, that a college education did a young man more harm than good. Mayor Johnson did not have a college education.

“It is unfair,” he continued, “to compare the college-bred men who have been successful in business life with those who have been unsuccessful without that education. The college-bred man is a class, while the other is an army.

“No man succeeds without education, and education does not mean book learning alone. The percentage of college-bred men who are failures is small as compared with the failures of those who have not been to college.

“Mr. Schwab is a smart man, but there was a time when I thought he was a chump. I was at Monte Carlo, and on the side of the table opposite me sat a man betting \$1,000 on every turn of the wheel. Everybody was talking French and I exclaimed in English: ‘What — fool is that?’ The plunger looked up and I recognized Schwab. He told me that he had won, but as long as I stood there he put down a fresh \$1,000 at every turn of the wheel.

“There are several ways of getting an education, but the college is one of the best ways. I know of instances where it has hurt young men, but these instances prove the weakness of the individuals.”—Cleveland Plaindealer of June 11.

MAYOR JOHNSON'S WAY.

A BIG BILL.

City Director of Accounts Madigan exhibited what he regarded as a curiosity at the meeting of the board of control Monday. It was a bill for \$155 for a desk for School Director Bell.

“That’s an outrage,” exclaimed Mayor Johnson, when he looked at the bill. “What are you going to do with it?”

“Hold it up,” answered Madigan. “I think I will make ‘em sue me to collect

this bill.”—Cleveland Plaindealer of June 11.

MORE SHACKS ARE DOOMED.

About 250 more old buildings and “shacks” are doomed to be destroyed before the building inspector’s department and the mayor will be even temporarily satisfied with the crusade.

Over a dozen notices have been sent out this week. The owners will be given from 10 to 20 days in which to obey the order to destroy the “shacks.” If they do not comply, the old buildings will be razed to the ground by the city.

“Numerous complaints are still coming in,” said Building Inspector Harks yesterday, “and we are investigating them as rapidly as possible. During the summer we hope to get every old shack in the fire limits out of the way. To accomplish this, however, hundreds more old buildings must go.”—Plaindealer of June 15.

HOW THE MAYOR SAVES TIME.

Mayor Johnson hurriedly stepped from his office about 1:15 yesterday afternoon, half an hour late for lunch, and, as he said, mighty hungry.

Outside of his door George Chapman, representing an electrical trolley concern, had been impatiently standing for some time. He was just as eager to discuss street railway problems with the mayor as the mayor was to get to his lunch.

“Hi! there,” yelled Chapman as the mayor swept by him, “I want to talk street railroads with you.”

“What?” said the mayor.

“I want to talk street railroads, I say.”

“What do you come to me for then?”

Chapman seemed a trifle lost to give an answer to the unexpected turn of affairs.

“Why, my dear man,” continued the mayor, “I know absolutely nothing about street railroads. It seems to me that some years ago I did have some little interest in what was going on in the street railway world, but my, I’ve forgotten all I ever knew.”

Chapman evidently seemed to regard the mayor as a rather tough proposition, especially when he was hungry.

“Give me an introduction to your brother, Albert, then,” asked Chapman.

“Why, he is in New York,” said the mayor as he disappeared around the corner.—Plaindealer of June 15.

PUBLIC PLAYGROUNDS.

Public playgrounds will be provided at once in four of the city parks.

Mayor Johnson yesterday afternoon instructed Director of Public Works Salen to at once have swings, light gymnastic apparatus and other playing paraphernalia placed in Clinton, Lincoln, Fairview and Sterling Place parks. This will be done immediately, and playgrounds in accordance with the ideas suggested by Councilman Howe will soon be provided.

The mayor also appointed a committee consisting of Dr. Baker, of the public schools; Secretary Shurtleff and Dr. Kinnicut, of the Y. M. C. A.; Mr. Cadwallader, of the Goodrich house, and Mr. Bellamy, of the Hiram house. This committee will see if various grounds cannot be secured from private citizens to be fitted up for playgrounds. The idea in this is to provide small playgrounds in various parts of the city within easy distance of the little folks. In many cases the park playgrounds are so far distant that many of the children who most need the exercise seldom or never get an opportunity to visit them.—Plaindealer of June 15.

A SELF-RESPECTING PROTEST FROM THE HEBREWS.

Councilman Howe has aroused a storm of protest among some of the Jewish residents of the Sixteenth ward, not because he wished to furnish them with a playground for their children, but because of the statements he is credited with making concerning their manner of living. Mr. Kolinsky, of the dry goods firm of Kolinsky & Adelson, corner of Perry and Orange streets, is particularly emphatic in denying the assertions. He said:

"While we appreciate Mr. Howe's kindness in wishing to supply our children with playgrounds and breathing spots, we certainly condemn the methods he pursued to attract our mayor's attention. Our children are not criminals, they do not live in squalor, nor filth; they do not beseech policemen to furnish them with lodgings. They are as intelligent, as tractable and as honest as any class of children in the city. We provide for the education of our children quite as well as do any race. One of our young men who lives in the Sixteenth ward recently won the first prize at Harvard college, another was president of his class at high school. We take care of our sick, and we take care of our poor. Statistics will show that the proportion of Hebrews convicted of crime is far less than that of any other nation.

"I wish Mayor Johnson would visit our workhouses and our prisons and

see how many Jews he would find imprisoned. It is true that our ward is thickly populated, and many children are crowded in small quarters, but that doesn't make them criminal nor ignorant. We have less sickness among our people than any other class.

"The very plan Mr. Howe suggests would have a tendency to educate more of our children to be criminals than anything else. The surroundings of the haymarket are not for children. If we are to have a park, and I devoutly hope we shall, it should be located on Irving street, or in some such desirable locality. We feel that however innocently Mr. Howe made such statements he should have made an investigation before speaking in a manner that has caused others to point at us with derision."—Plaindealer of June 15.

GEN. DEWET.

Extracts from an article on "Gen. De Wet and His Campaign," by Allen Sangree, in the *Cosmopolitan* for May.

DeWet . . . observed the mistakes that were made in the early part of the struggle, and when it came his chance to command he resolved to cut loose from all precedent. With a following that insists on independence or honorable death, he has succeeded in baffling the entire British army for nearly one year and a half, and has increased the war expense to \$600,000,000 and the loss in English soldiers to 60,000 killed or wounded.

There is something almost miraculous about these continued exploits, and the Boers themselves ascribe DeWet's hairbreadth escapes to divine intervention. For six months this potato grower has fled hither and thither over the veldt, capturing one garrison here and avoiding another there, and all the time pursued by a combined army of 100,000 men. His position is much as though he were in London with a few retainers and skipping from street to street with the whole metropolis trying to catch him.

To secure food on a barren prairie, to replenish his cartridge belts, to keep his bases alive and to save his own head, under such perilous conditions, requires the strategy of a North American Indian, the fine courage of a George Washington and the greatest mental domination. Gen. DeWet has these. More than this, his troopers know that he is fighting for liberty, nothing else, and that he is ready to give up his life at any moment. They therefore trust him implicitly.

If this military genius were to appear on the streets of New York or Boston, he would not invite a second glance, except for his uncouth garments. Black hair and beard, high cheekbones, narrow eyes wide apart and twinkling with humor much of the time, a nose large and aquiline, a firm mouth and chin, make his face strong but not distinguished. He is six feet tall, with muscles of tempered steel, rides horseback like a centaur, and always carries a ridiculously small carbine.

At home, on his truck farm in the Orange Free State, where he was quietly living when war broke out, he had some reputation as a practical joker—nothing else in particular. He had served one session in the raad at Bloemfontein, but achieved no eminence as a statesman. Even after the war was well under way, DeWet remained in the background, and it was not until the enemy drew near his own homestead, bringing death and destruction, that his latent gifts awoke.

To-day DeWet is the most relentless patriot in South Africa. His farm has been looted, his house burnt to ashes, his wife and children deported to the shores of the Indian ocean. He has sworn a solemn oath never to surrender, and the British do not want to take him alive. . . .

Gen. DeWet had had no experience in warfare previous to taking command of 400 Free Staters in the fall of 1899. He had never heard of Kitchener or Roberts, had read little but his Dutch Bible, and knew nothing of Napoleon Bonaparte or Julius Caesar. One afternoon in the latter end of March, 1900, after several months' campaigning, a scout rode into his camp with news that an English garrison occupied a place called Sannah Post. In two days this farmer won a victory that either of his two famous predecessors would have been proud of.

His opponent was Col. Broadwood, an Indian veteran and a noted commander. He had with him 2,500 men. They had camped on a knob of rising veldt. DeWet came within firing distance at three o'clock in the morning. He had 1,400 burghers, and a battery of four Krupp guns and one Maxim mitrailleuse. The latter were dragged to a spot 5,000 yards from the English, where 400 riflemen lay down to wait for dawn. At another spot 600 marksmen were stationed, and the remaining 400 DeWet took with him to a dry river bed that lay to the west, toward which he hoped the British might retreat. The horses were concealed

there, with their mouths tied shut to prevent their whinnying.

The sun rose at six o'clock, and from the post were heard the sounds of camp-life, rattling of coffee-cans and crackle of fires. There was not even one outpost, or scout, and when the Boers on the north opened fire at 6:15, the English camp was thrown into a panic.

The British artillery soon got in position, however, and opened on the kopje. The duel kept up for half an hour, then the Boer artillery let loose with its Krupps and created havoc. Three hundred British mounted infantry rode out on the veldt toward DeWet, and then wheeling off, suddenly disappeared. They were not seen again in the fight. By nine o'clock the English were so demoralized that they began to retreat, and, as DeWet expected, they rushed toward the spruit. First in the long khaki line were 120 wagons, scattered among which were many Cape-carts, or "spiders." But right in the midst of the line DeWet spied 12 cannon, and these he planned to capture. The first Tommy to arrive at the spruit was driving an ammunition wagon. DeWet rose up like a specter, with his carbine resting on his arm, and motioning with his finger said: "Come on, Tommy; I want you." The Tommy gulped down an oath and obeyed, never daring to signal his comrades. A dozen wagons had crossed the stream before word had passed to the rear and put the column into confusion. Broadwood sent 300 men down to the spruit to see what was the matter. DeWet and his 400 sharpshooters had not fired as yet. When the captain was within 15 feet of DeWet, the latter stepped out from cover again and called out: "Stop! Put down your arms!" Some of the men obeyed, but the captain tried to get away and DeWet shot him through the head. Within a few square feet of that officer, Capt. Allen, the Norwegian military attache, told me that he afterward counted 32 dead Englishmen. The rattle of Mausers was like hail on a tin roof. Every strand on a wire fence across the spruit was shot away. Nearly all the artillerymen dropped dead with bullets through their heads. Every horse was shot down, and it was only by the most desperate bravery that Broadwood was able to extricate five of the twelve cannon. The triple fire of the Boers so demoralized the English that for a time it was thought Broadwood himself must surrender. Between ten and eleven o'clock, however, he managed to get his panicky

troops in full retreat toward Bloemfontein, and to their heels clung 300 Boers, who followed to within sight of the free state capital, yelling like mad, jumping off to shoot, and then remounting to get another crack. When DeWet got his commando together at one o'clock to "take stock," he found his own loss to be four killed and 12 wounded. Of the Tenth Hussars, Roberts' Horse, Royal Field Artillery and Burmah mounted infantry—the troops that Broadwood commanded—250 lay dead or wounded and 425 had been taken prisoners.

The seven cannon and 120 wagons were put to instant use by the Boers, who in six days had made special shells in their factory at Johannesburg for use in the Armstrongs and sent them back to do good service against their former proprietors.

DeWet's army to-day presents a grotesque appearance. By constant capture of English baggage trains, the old bewhiskered Tak Haar riflemen are enabled to go about toggled up in smart khaki clothes made for the king's officers. The ponies, many of which have been ridden two years continuously, are little more than skin and bones. Mauser rifles have long since been abandoned, and only the Lee-Metfords taken from the English are in use. Among the troopers may be found what few soldiers of the foreign legion have not been scared away, and a few score artillerymen. The pace has set too rapid for most of the venerable burghers, and their place has been taken by young men, who will go down in history as the bravest of the brave. Many of them are mere schoolchildren, whose astonishing adventures will scarcely be believed by posterity. Secretary Reitz has a son, Denys, only 14 years of age, who when last heard of was fighting by the side of DeWet.

According to the testimony of the foreign military attaches, DeWet is not only the most brilliant military genius that this war has produced, but the most able tactician of his generation. Like a skillful prize-fighter, he knows when to jump in and strike a fatal blow and he knows as well when to retreat.

Compared with his achievements, those of Baden-Powell or Kitchener are like a burning match dropped in the ocean. DeWet himself has not been out of the saddle in two years, except to catch a few hours' sleep every day. He has been surrounded a hundred times, with no apparent loophole to escape. In this emergency he gives a quick order and his alert

though wearied troopers, with the cry of "Oop sa'el, oop sa'el, burghers!" (In the saddle, in the saddle, burghers!) leap to horse and scatter like a flock of birds. They ride right through the English lines, and emerge only to gather again at some appointed place. The artillery at the same time hitch up their mules and thunder away like madmen over some stony path that would seem impossible, get a good position, and annoy the British, while DeWet has concentrated his force upon a detachment that his gifted brain tells him is ill fitted to resist. His scouts are the most trained in the world, and they bring him accurate information as to the enemy's position. When ammunition is nearly exhausted, DeWet makes a wide detour and falls unexpectedly upon a baggage train, whence his troopers fill up their bandoleers with cartridges and their hampers with chocolate and Chicago tinned beef.

It is too early as yet to discuss the ethics of DeWet in the alleged shooting of so-called peace envoys, for the information has come only through British sources. But inasmuch as the Boers in all this war have never killed a spy, though many were captured; never shot a Tommy trying to escape, though 15 burghers were pierced with bullets at Cape Town prison in one week, and have never hanged a traitor, though many a one deserved it, we could not blame him if he did do this. When a man is fighting for all he loves best, he does not receive kindly the cringing overtures of a renegade.

AUNT SUZAN ON THE DRED SCOTT CASE.

"Say, pa, what's this here Dred Scott case they always talk about?

Whenever there's an argymunt they always trot it out;

It may be stealin' horses that has got them all upset,

Or mebbly some one's tryin' to collect some little debt,

Or mebbly some one's simply went and slapped some other's face—

They decide 'em all by goin' to the Dred Scott Case.

"Every time there's any question that a judge can't understand

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He wants that there decision in the Dred Scott case on hand;
It may be stealln' chickens, or a line fence, or perhaps
Somebody's got a notion that we ought to change the maps—
It doesn't seem to matter what the trouble's all about,
When the judges are kerflummixed they trot Dred Scott
Out.

"I s'pose if you and me should go to fightin' like a pair
Of fools and come to thinkin' that we ought to part, and there
Was any difficulty as to how we should divide
The children and the money, when we'd went and got ontled,
That some judge 'ud think it over for awhile and have the face.
To decide for us accordin' to the Dred Scott Case.

"Who was this Dredful feller that they always tell about
Whenever there's a tangle for the courts to straighten out?
Did he steal or did he murder, or land sakes! what did he do?
Did he go annexin' islands and abductin' children, too?
He must have been 'most all there is from chicken thief to king,
To make his case so great that it 'ud Cover Everything!"

"Well, now," said Uncle Henry, as he looked up with a smile
That was full of honest pity—after thinkin' for awhile—
"I'd hate to be as ignorant as you are, ma, because
There's never any tellin' when you'll have to buck the laws.
This chap whose case the judges always go to when in doubt—
Well, the facts is he's the Great Scott that you always Hear
About."

—S. E. Kiser, in Chicago Record-Herald.

Once upon a time the fates endowed a certain people with a sense of humor.

Eventually the people became aware of this, and their mortification thereupon was very great.

"For how," exclaimed they, "are we ever to become a world power, now?"

Of course, patriotism might still be taught in the schools.—Detroit Journal.

"In dealing with the representatives of the powers," said the aged Chinese statesman, "I should not recommend duplicity."

"No?" said the rising young diplomat.

"No. Duplicity, as I understand it, comes from the Latin word duplex, and is appropriate in dealings between two parties; but as there are half-a-dozen powers, and as it is

necessary to treat with each, I should recommend what I might call multiplicity!"—Puck.

"And what do we mean by saying that we do not intend to annex Manchuria?" asked his friend.

"We mean," replied the Russian statesman, "that we have annexed it already and it isn't necessary to do it twice."—Puck.

"What's your son been doing in the Philippines?"

"Fighting for his country."
"What! Has he turned Filipino?"
—Life.

Now that the Gainsborough portrait and the stolen bonds of the Manhattan bank robbery have been located, nothing of importance remains on the "missing list" but the Lost Ten Tribes of Israel and Mr. McKinley's real Cuban policy.—Life.

After the Dove of Peace has hovered a good while it generally finds no place to settle except on an indemnity.—Puck.

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