gentle, "is not below the worm."

Here, then, is a community in which two races are divided into two distinct classes. Although there are individual instances of affection across the dividing line between these classes, yet, as races, each hates the other; and that race hatred is blazing into a flame.

Never mind the reason for it. Never mind which race has caused it or perpetuates it. What we have to confront at the outset is nothing but the fact. Two hostile classes, as plainly distinguished by race color as are hostile armies by uniforms, are coming into deadly combat with each other in a large section of their common country. This is the fact to be dealt with. This is the core of the problem to be solved.

When a community, partly of one race and partly of another, both native to the place and each large in numbers, is divided into two hostile classes by such plainly distinguishable signs as black skins and white skins, the resulting problem is susceptible of but eight possible modes of solution— (1) reduction of the blacks to slavery, (2) reduction of the whites to slavery, (3) reduction of the blacks to servitude in nominal freedom, (4) reduction of the whites to servitude in nominal freedom, (5) organization of black States and white States, (6) extinction of the whites, (7) extinction of the blacks, or (8) creation of mutuality of interests between the races through the establishment of equality of legal rights.

The first solution is out of the question in the United States. In this country, the Negro cannot again be reduced to slavery. Public sentiment, South as well as North and among whites as well as blacks, would not tolerate that reaction. Even if this were otherwise, private interests would stand in the way; for, in a country where land is so completely monopolized as in ours, slavery wouldn't pay. It is cheaper to hire common labor than to own it. Few workingmen, white or black, would sell for as much to-day, were they slaves, as Negro slaves brought upon the auction block in the South half a century ago.

Of the second solution, nothing need be said. No one supposes that the white race could be reduced to slavery.

On the point of servitude, however, it is entirely within the possibilities that either race in the South might reduce the other to servitude, for that status depends upon ownership of the soil. The blacks at the South are now, as a race, in servitude to the whites as a race, because the whites as a race own the soil of the South. A large proportion of the whites, North and South, are in like servitude to others of their own race, which goes to show that whites as well as blacks may be reduced to servitude in nominal freedom. The possibility may therefore be assumed of a reduction of the white race of the South to a state of servitude to the blacks. It all depends upon possession of the land. Should the technical education which Booker T. Washington and other acute Negro leaders are promoting among their race of the South bear its probable fruit, the land of the South will gradually but rapidly pass from whites who don't know how to use it profitably to blacks who will know how to use it profitably. Blacks would then become landlords and whites would become landless, which would give us a black South.

But serfdom is not a permanent solution of race problems. Its pacifying effects last no longer than the serf is submissive; and it is by no means probable that either blacks or whites in the South would remain submissive in a state of nominal freedom but actual servitude. The whites certainly would not; and the blacks, though already in servitude as a race, are fast giving evidence of a disposition to submit only a little longer. As Mr. Wise says, they are "not below the worm"—which turns.

But if neither race can enslave the other, and neither would submit in perpetuity to the servitude which land monopoly creates and fosters, nothing remains, if the race hostility continues, but for each race to establish itself in States of its own (which our form of government would not permit), or for one race to destroy the other. This is the inevitable alternative that confronts the South.

Endless race hatred means the extinction, then, of one race or the other. Let race war once flame up, and the Negro regions of the South would become a charred waste, all white or all black. Not through tissue ballots nor through shotguns alone would this come about; but through fagot and flame and midnight murder as well.

The only escape from this catastrophe, since slavery is impracticable and servitude could be but temporary, is the eighth possible mode of solving the Negro problem. Race war must be prevented by a just peace. Race antagonism must be allayed by race friendship. Race hostility must be overcome by mutuality of interests between the races. And this can be secured only by an effective recognition of equal legal rights, regardless of race and irrespective of color.

NEWS

Week ending Thursday, Apr. 16.

Interest in the possibility of suppressing trusts under the Sherman anti-trust law has been revived by an affirmative decision rendered on the 9th by the Federal Circuit Court of Appeals of the Eighth circuit, sitting at Minneapolis. This decision was made in a suit instituted by Attorney General Knox against the Northern Securities Co., of New Jersey.

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The Northern Securities company is a "holding" company, chartered under the laws of New Jersey in the fall of 1901, (vol. iv. p 505) for the purpose of controlling and disposing of the bonds and stock of other companies; and its board of directors is empowered by the charter to act in secrecy, even with reference to its stockholders. The particular object of creating this corporation was to centralize in one control the interests and management of certain competing railway systems west of the Mississippi river. As soon as that object leaked out, the northwestern States that had made grants to the competing roads now to be in this indirect manner consolidated, and had made those grants with a view to perpetuating railroad competition, took steps to check the consolidating movement.

In November, 1901, (vol. iv, p. 534), Gov. Van Sant, of Minnesota, began this opposition movement by inviting the governors of all the affected States having laws forbidding the consolidation of competing lines, as do those of Minnesota, to meet in conference. A conference of the kind was accordingly held at Helena, Mont., in December (vol. iv. p. 617) at which a plan of procedure was agreed upon. The details of the plan were not announced, but early in January, 1902, (vol. iv. p. 634) the State of Minnesota applied to the Supreme Court of the United States for leave to begin suit in that court against the Northern Securities Co., for the purpose of preventing the consolidation by and through that company of the Great Northern, the Northern Pacific and the Burlington railway systems. The application was elaborately argued on both sides (vol. iv. p. 681) a few days later, and on the 24th of February (vol. iv. p. 746) it was denied. The denial rested upon a technicality, but an incurable one. Observing that only a majority of the stockholders of the competing lines had been brought into court, namely, those who had assented to the consolidation and were therefore represented by the Northern Securities company, in which they were stockholders, the court held that no judgment could be rendered which would be binding upon the other stockholders of the subsidiary corporations, and that therefore these corporations were necessary parties. But as these corporations were citizens of the State of Minnesota, the court held also that they could not be brought into court by that State, because a State cannot sue its own citizens in the Supreme Court of the United States. This decision ended that plan of procedure. But prior to this decision it had been reported vol. iv, p. 746) that the President had directed Attorney General Knox to make a test case of the Northern Securities merger, under the Sherman anti-trust law, and the report was subsequently confirmed by the attorney general himself. Pursuant to the President's directions, therefore the attorney general did bring such a suit in the name of the United States, and it is on this suit that the Sherman anti-trust law is now held to apply to the Northern Securities Co.

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By that decision it is adjudged that—

the stock of the Northern Pacific and Great Northern companies, now held by the Securities company, was acquired in virtue of a combination among the defendants in restraint of trade and commerce among the several States, such as the anti-trust act denounces as illegal.

And an injunction is allowed—

enjoining the Securities company from acquiring or attempting to acquire further stock of either of said companies; enjoining it from voting such stock at any meeting of the stockholders of either of said railroad companies, or exercising or attempting to exercise any control, direction or supervision or influence over the acts of said companies or either of them by virtue of its holding such stocks; enjoining the Northern Pacific and Great Northern companies respectively, their officers, directors, and agents, from permitting such stock to be voted by the Northern Securities company or any of its agents or attorneys on its behalf at any corporate election for directors or officers of either of said companies; and enjoining them from paying any dividends to the Securities company on account of said stock or permitting or suffering the Securities company to exercise any control whatsoever over the corporate acts of said companies to direct the policy of either.

But—

the Securities company is permitted to return and transfer to the stockholders of the Northern Pacific and Great Northern companies any and all shares of stock of those companies which it may have received from such stockholders in exchange for its own stock, or to make such transfer and assignment to such person or persons as are now the holders and owners of its own stock originally issued in exchange for the stock of said companies.

An appeal from this judgment is to be taken to the Supreme Court of the United States.

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A smash in Wall street on the 13th was the immediate result of the anti-trust decision against the Northern Securities company. Not only did the stock of that company fall off enormously, but a whole list of other stocks fell off in sympathy. The total reduction of fictitious values was estimated at $200,000,000. Among the interests principally affected were the following:

Northern Securities	$32,050,000
United States Steel	17,192,138
Great Northern pfd	12,371,000
Balto & Ohio (com.)	5,312,500
Pennsylvania (com.)	5,068,200
Amal. Copper	4,808,750
Erie	4,656,247
Southern Pacific	4,451,333
New York Central	4,290,000
Reading (com.)	3,675,000
Union Pacific	3,250,000
St. L. & San Fran	2,440,000

Though this depression in stocks is attributed to the anti-trust decision, that was in all probability only the immediate cause. Those general speculative conditions which have produced a series of panics in Wall street (vol. v, p. 586) were evidently the ultimate cause. Extensive liquidations appeared to have been forced by the exhaustion of margins and the uncovering of stop-loss orders. It was thought in Wall street, however, that other shares had been sold to protect holdings of Northern Securities stock. While rumors circulated that powerful financial interests had come together and would afford support to the market, there was not at any time much indication of such support. The closing of the market was weak, the rallies from the lowest prices being very slight, and apparently due merely to a limited buying to cover "short" contracts. Yet the money market showed no unusual disturbance. Rates for loans on call did not get above 6 per cent., closing at 2½ per per cent., and since the day of the slump no alarming reports have come over the wires.

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More fighting is reported from the Philippines. It occurred on the 7th and 8th at Bacolor, in the Mohammedan island of Mindanao, and was reported from Manila on the 10th and 11th. This is the latest of a series of battles with hostile natives in a campaign of exploration which began a year ago.

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On the 16th of April, 1902 (vol. v, p. 25), Gen. Chaffee advised the President of native resistance to American sovereignty in Mindanao, and stated that he was fitting out an expedition of 1200 men to leave Manila for Mindanao on the 27th of that month. Regarding this expedition as premature (vol. v, p. 39), the President ordered its recall; but Gen. Chaffee replied that the expedition was already on the ground and had been fired upon and that its withdrawal would ruin American prestige with the natives; whereupon the president (vol. v. p. 40) gave him a free hand, cautioning him, however, to avoid a general war with the Mindanaos on account of their overwhelming numbers. Aggressive operations were accordingly continued. On the 24th of April (vol. v, p. 71) a fort at Pulas was captured after only slight resistance; but on the 2d of May a hard battle was fought in the territory of