

tal are capable or not, if privately owned, of offering with the opportunity of persons not being them to produce and enjoy their products, or conditions in which things that fundamentally so interfere are owned in common. The of the whole social controversy in its economic aspects, is the power of labor exploitation; and the conditions that arise are chiefly due, as it seems, to failure to distinguish between the kinds of capital the ownership of which gives this expropriation power, and the kinds of capital which it only in appearance or as an effect of the ownership of some other kinds of capital.

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s Five Dollar Slaves.

one of the Wall street circulars which drift upon the editorial table—the circular of Jones & Co., of December 19, 1906—we have a significant estimate, by financiers and not bankers, with reference to the iron ore deposits which the steel trust has leased from James J.

According to this estimate the royalties in 50 years will amount to \$1,190,000,000. This is equal to the earnings of one man, at the extraordinarily high wages of \$5 a day, for about 100 years. Or, if that amount of labor be divided for 50 years, it represents the annual income for half a century of 16,000 men. In other words, the royalty that Mr. Hill (or his representatives) is to get for 50 years to come, on the basis of one transaction, will be equal, year by year, to the total earnings of an army of 16,000 five-dollar-a-day workers. And what is the quid pro quo?

Nothing. Absolutely nothing. Nominally it is a grant of permission to the working force of the land to utilize those coal deposits which Nature has been storing up for ages. But that is no consolation. For the earnings of a labor force equal to 16,000 men yearly for 50 years, Mr. Hill gets nothing but permission to utilize natural resources, and in the last analysis that is nothing; those bounties would be just as useful if he had his assignors had never lived. What, then, is the essential meaning of the fact that in this way Mr. Hill commands a labor force equal to 16,000 five-dollar-a-day men for 50 years? Simply that he has 16,000 slaves whose labor he can sell for 50 years.

That no particular five-dollar-a-day man is his slave, makes no difference. That he does not personally know his slaves nor they their master, makes no difference. The essence of it is that he commands that much labor force without returning an equivalent in labor force of his own. The totality of labor force loses some

of its product if any of its product is diverted from the earners. And if this is true of Mr. Hill's ore mine instance, it is true in greater or less degree of every instance in which some men receive products of labor for allowing labor to utilize natural advantages or the industrial advantages that monopoly of natural advantages commands. Aggregate these instances, and instead of slavery to the extent of 16,000 five-dollar-a-day men, we have a demonstration of slavery to the extent probably of many millions of men.

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EDWARD F. DUNNE.

This is a notable anniversary week in the political history of Chicago, an anniversary moreover which profoundly concerns the people of all other American cities and in the subject of which they have exhibited intense interest. It is the second anniversary of what is known as "the Tuley letter."

Two years ago the late Murray F. Tuley, Chicago's beloved judge and First Citizen, addressed a letter to the people urging them to save their streets from J. Pierpont Morgan's traction conspirators by demanding the nomination and voting for the election of Edward F. Dunne, the municipal ownership leader, as Mayor. To that call the people of Chicago promptly and enthusiastically responded, and Mayor Dunne has now almost completed the term for which they elected him.

That he has thus far baffled the traction conspirators, every one who knows the circumstances of the traction controversy is well aware. But for his election, the city of Chicago would before this have been bound again, hand and foot, by "the law of the land," to the stock jobbers of Wall Street. The sordid plan was already arranged when Mayor Dunne's election frustrated it.

If he has not yet also accomplished the affirmative municipal ownership policy for which he stood and still stands, the fault is not with him. While he could fight a negative fight with his power of veto, and has done this successfully, he could not do constructive work, nor could any other person in his place, without the co-operation of a majority of the City Council. And this he has never had.

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When the people of Chicago elected Mayor Dunne two years ago, they commissioned him to establish as speedily as possible municipal ownership of the traction system. At the same time they condemned, by a vote of 150,785 to 64,391,

the settlement ordinance then under consideration by the City Council, and by a vote of 152,125 to 59,013 they opposed the granting of any franchise to any company.

But upon coming into office Mayor Dunne found himself hampered by the City Council and the local transportation committee of that body. A majority of both were irreconcilably hostile to the municipal ownership policy so emphatically endorsed at the election. He was therefore obliged to work not only without the co-operation of those bodies, but against their active opposition.

Notwithstanding, however, the difficulties which the majority of the Council interposed, Mayor Dunne endeavored to co-operate with that body and its transportation committee as cordially and as fully as was possible without yielding the essentials of the policy to which the circumstances of his election no less than his own genuinely democratic views of government had committed him. It was in this effort that he submitted two plans of procedure to the Council on the 5th of July, 1905—three months after his election.

One of these plans contemplated direct steps for acquiring municipal ownership. The other proposed the organization of a temporary "holding" company to construct and operate. This company was to operate without profit, other than a moderate brokerage fee for financing and five per cent. on actual cost, and the surplus earnings were to go into a sinking fund for the purchase of the system by the city. Under all the circumstances then existing, Mayor Dunne preferred and rightly preferred the latter plan, named "the contract plan," and recommended its adoption.

But the majority of the transportation committee refused to consider this plan upon its merits. After an indifferent and unintelligent discussion of a few of its clauses, they decided by a vote of 8 to 5, on the 11th of September, 1905, to defer its further consideration, in order to invite proposals for a settlement from the traction companies. The majority of the committee never afterwards permitted a consideration of the "contract plan" in committee, and a majority of the Council sustained them in that refusal. The constructive work of the committee was confined wholly to humiliating negotiations with the traction companies for a settlement, and to the formulation of extension franchises contrary to the demands of the people and in harmony with the demands of the traction companies.

In order to secure compliance with the popular vote for municipal ownership and against a set-

tlement by means of profit-making franchise extensions, Mayor Dunne did all that could possibly be done.

He addressed a message to the Council recommending that body to "direct the local transportation committee to cease consideration of the proposed franchise extension ordinances," and to report to the Council for its action "the contract plan" described above. This recommendation was defeated in the Council by a vote of 45 to 18.

He then addressed a message to the Council recommending that the local transportation committee be directed in accordance with the will of the people, expressed by a referendum majority of $2\frac{1}{2}$ to 1, "to cease forthwith all negotiations with the existing private companies except as to the purchase of their properties by the city of Chicago." This recommendation was defeated in the Council by a vote of 37 to 27.

He then addressed a message to the Council recommending the adoption of an order instructing the local transportation committee, in co-operation with the legal advisers of the city, "to proceed without delay to prepare an ordinance for the purpose of acquiring ownership of the street railways of Chicago under powers conferred by the Mueller law," and to allow the preparation of that ordinance to take precedence over all other matters then before the committee. This order was defeated in the Council by a vote of 45 to 21.

He then addressed a message to the City Council recommending proceedings "without further delay, to establish municipal ownership of the traction service under and pursuant to the Mueller law," at the same time proposing a draft of an ordinance prepared by his official legal advisers for submitting the question to the people as required by that law. With the same object he also addressed a message to the Council recommending submission to the people under the Mueller law of the question of municipal operation, and for that purpose submitted therewith a draft of an ordinance also prepared by his official legal advisers. These messages were referred to the committee on local transportation. Afterwards Mayor Dunne's proposed ordinances came before the Council as a report of a minority of that committee; but the committee as a whole, governed by its majority, ignored them.

The hostility of the Council and its committee was unyielding, stubbornly or worse, throughout.

Meanwhile, the majority of the local transportation committee had, as stated above, confined the

tructive work of the committee to the formu-
n of ordinances contrary to the demands of
people and in harmony with the demands of
raction companies.

his work they finished on the 27th of Novem-
1905, when they caused the committee, by a
of 7 to 4, to adopt a set of franchise-extension
nances. But one month later they shrank
completing their arrangements with the
tion companies, and both the majority and
minority reports were, on the majority's initia-
referred back to the local transportation com-
ee. Upon the subsequent refusal of the trac-
companies to make concessions, the committee
n recommended the extension ordinances, but
amendments; and when this report came be-
the Council for action, it was defeated by the
titution for it of the minority report. So in-
sensible were the franchises proposed by the ma-
y report then seen to be, that the majority re-
was defeated by a vote of 38 to 27.

consequence of this temporary change in the
ude of the Council, the franchise-extension
nances were finally defeated, and the people
allowed to vote authoritatively, under the
ller law, at the election last April, on the ques-
of municipal ownership and operation. As
will remember, a majority voted in favor of
propositions.

asmuch, however, as a three-fifths vote is
ssary under the Mueller law to authorize
icipal operation, that proposition was lost for
time. Until a three-fifths favorable vote shall
been obtained, the city of Chicago cannot
ate street cars. But in consequence of the ma-
y vote in favor of issuing \$75,000,000 of
ller certificates, the city is now authorized to
and own the street car system, provided the
reme Court of the State does not reverse the
sion of the lower court, which holds those cer-
ates valid.

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these baffling circumstances, and in view
he renewed hostility to municipal ownership
majority of the Council, Mayor Dunne pro-
steps, not only wise but necessary at that
to secure the co-operation of all interests,
ic and private, in the formation and accept-
of an ordinance or ordinances adopting sub-
tially "the contract plan" described above, but
the existing traction companies instead of a
company as the construction contractor and
porary holding agent.

his seemed feasible. The existing companies
lost most of their coercive power, in conse-

quence of the then recent decision of the Supreme
Court of the United States which held their 99-
year claims to be invalid. They were no longer in
a position to dictate terms upon the basis of any
controlling claims of their own. The only hostile
position of importance open to them, rested up-
on the possibility that the courts might invalidate
the Mueller law or the referendum under that law.
Aside from this possibility, such rights as they
had were in great degree at the mercy of the city.
But they did have rights that were entitled to fair
treatment; and upon the supposition that if fair
treatment were assured them by the city they
might deal fairly with the city in return, Mayor
Dunne formulated an offer in a letter to Alderman
Werno which is now known as "the Werno let-
ter."

His general object, as stated in that letter, was
to secure, first, the accomplishment of municipal
ownership of the street railway system; and, sec-
ond, the improvement of the street railway serv-
ice while municipal ownership was being estab-
lished. The specific methods proposed were (1)
reconstruction by the companies, (2) unified serv-
ice, (3) universal transfers, (4) operation under
revocable license, (5) an agreement by the com-
panies to sell their present property to the city
at any time at a fair valuation agreed upon in
advance, (6) a fair return to the companies mean-
while, (7) the city to take over at any time upon
paying the present appraised value plus actual
authorized investment in reconstruction.

Such an ordinance Mayor Dunne was then will-
ing and doubtless still is willing to recommend.
But there are the best of reasons for believing that
he is not willing to recommend any ordinance
which, while purporting to give legal form to the
Werno letter, does in fact or may by possibility
restore to the traction companies their old powers,
and deprive the people of Chicago of their right
to take over and operate whenever they desire and
are legally and financially able to do so. To de-
feat any such ordinance he is already pledged,
and his pledges are proved to be worth face value.

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Whether the ordinance now before the Council
would when completed effectuate the purpose of
the "Werno letter" or nullify its purpose, no one
can say. Indeed, no one knows its intended pro-
visions and but few know its present provisions,
notwithstanding that a great uproar has been
made by the traction interests to have it appear
that the people are hungering and thirsting for
its immediate adoption, without popular discus-
sion.

In the form in which it appeared prior to last Tuesday, one of the ordinances was confessedly imperfect for its ostensible purpose of effectuating the object of the Werno letter; until then the other did not exist in any form. Mayor Dunne rightly declares, therefore, that he will not commit himself. Until the ordinances are completed, with all their defects of which he is or may be advised completely cured, and cured not only by promises but in fact, he has assured the people that they shall not have his approval.

And he has promised that meantime, no matter how desirable he as an individual may regard the ordinances when they shall have been perfected, he will not approve them as Mayor unless the people approve them. To this he declares himself irrevocably committed by pre-election pledges. His adversary in the mayoralty campaign likewise committed himself, and so did the members of the Council. In these circumstances Mayor Dunne asserts that there is no room for honest evasion of responsibility, both Mayor and Council being bound in honor to submit to referendum any traction-settlement ordinance whatever, before giving it legal vitality. It should be noted in passing that a majority of the Council has voted to evade this responsibility. But Mayor Dunne has not.

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Even if the Mayor were indifferent to his pledges to the people, as the traction papers urge him to be, the circumstances have been and still are such as to demand a referendum simply as a matter of reasonable precaution.

The first full draft of the ordinance now before the City Council for adoption, was made by attorneys for the traction companies. As they were to do the financing, that seemed reasonable enough, provided they were acting in good faith; but the ordinance they submitted was so significantly defective as to imply bad faith. Changes were suggested, however, some of which were promptly made while others were promised; and as the work of preparation proceeded, a conclusion in entire harmony with the spirit and purpose of the Werno letter seemed reasonably probable. But subsequent events were well calculated to disturb confidence. The unanimity and pertinacity with which the trust newspapers, the plutocratic clubs and the other organs of the Allied Interests of Chicago that have been and still are opposed to municipal ownership, began to demand the instant passage of this ordinance, without public scrutiny, were of a character to disturb the confidence of any one familiar with traction company tactics in the past.

In these circumstances, it was possible even to the extent of probability that an ordinance would be precipitately adopted, effecting a final settlement of the traction question wholly contrary to the interests and wishes of the people, and in the interest and wholly according to the wishes of the traction companies. While Mayor Dunne would have vetoed any such ordinance, it was legally possible for two-thirds of the Council to pass it over his veto; and the denial by the Council on the 7th of January, 1907, by nearly a two-thirds vote, of the Mayor's request that it renew its pledge of a year before requiring a referendum as a condition precedent to the passage of any ordinance settling the traction question, was a strong indication of what might be expected of it in dealing with a veto. The two-thirds vote for a buncos method of referendum on the 15th was almost conclusive.

After the sinister vote of the 7th, Mayor Dunne issued his letter of the 10th of January, 1907, to the citizens of Chicago, calling upon them to demand a referendum under the Public Policy law, so that any traction settlement ordinance that might be before the Council for passage should be first subjected to public scrutiny and a formal expression of public opinion. This has brought the Council to the position of authorizing a question for referendum, but under buncos conditions which confirm the widening and deepening impression that a majority of that body, regarding the people as their puppets and the traction companies as their masters, are determined to "jam through" such an ordinance as the companies demand.

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Throughout this long and bitter contest Mayor Dunne has been opposed with consummate subtlety by financial interests of enormous magnitude, and with shameless dishonesty by newspapers that make loud but hollow professions of decency. Yet he has been steadfast to his pledges and faithful to his official obligations. Whatever may be the outcome, his courageous fidelity to his trust as Mayor of Chicago will remain conspicuously unique in the history of the office he holds.

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In his steadfast adherence to principle with reference to the traction question and the use of the referendum, Mayor Dunne's conduct has been typical of his whole administration. It is charged that he has made mistakes; and we hope he has, for error is human. It is said that his business qualities are weak; but this is merely the "business" man's interpretation of the fact that his conscience is strong. No one charges him with

dishonesty. On the contrary, every one admits that he is an honest man. This is enough in itself to give the people of Chicago a new sensation and to give Mayor Dunne honorable distinction in local public life.

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Mayor Dunne's honesty in public office has not been of the wax doll variety. It is easy to be honest according to petty conventional standards, and the fact that a public official does not rob the public treasury in indictable ways is no test of his inherent honesty. The true test in these days of Fierce Finance and Business Graft, is that the official withstands the temptations and defies the thunderbolts of great financial interests. This is the test by which Mayor Dunne has been tried and found true.

All the great public utility interests have been in alliance to thrust "honorable" greatness and "honest" fortune upon him, if he would but be their man, and to ruin him politically and personally if he thwarted their predatory purposes. They have, indeed, asked of him no favors for the granting of which he could be sent to the penitentiary if detected. They have asked nothing that would make him disreputable as the standards of "business" respectability go. They have solicited only such co-operation against the public good as respectable newspapers with side interests in finance openly stand for. He could have yielded and been accounted able and good. Nevertheless he has stood as a granite wall against both their blandishments and their assaults. Mayor Dunne is the only Mayor in the history of Chicago since the era of the Allied Interests began, whom those Interests have not controlled. Neither by flattery nor by favor nor by fear have they been able to seduce him. He has not only been honest, but he has been courageously honest.

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Whether Mayor Dunne shall be re-nominated and re-elected is of comparatively little concern to him. His personal interests are not best served in public office. But he has made his record a memorable one and one of high character. The question of his retention as Mayor depends not upon any political maneuverings of his own or of his friends, but upon whether the resentment of the Allied Interests has been effective in fooling the people of Chicago. He would be re-elected in a perfect cyclone of enthusiasm if the people knew him and his administration as well as the Allied Interests do.

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What labor needs is not protection, but justice.—
Tom L. Johnson.

EDITORIAL CORRESPONDENCE

PUBLIC OWNERSHIP IN CANADA.

Winnipeg, Manitoba, Jan. 11.—The returns from the "plebiscite," or referendum, on the question of public ownership of the telephone business in Manitoba (p. 750), show that the question as it was put to the voters carried by large majorities in the larger towns, while it was defeated in a number of the rural municipalities. The total for the Province, however, was about 10,000 for, to 7,000 against. In consequence the Government has now called for tenders for poles for 1,000 miles of line. Mr. Edward Brown, the leader of the Liberal party in Manitoba, who kept a discreet silence regarding his own proposals—giving as his reason that he did not wish to mix politics with the affairs of the municipalities—has now made an announcement of the Liberal program on this question. This program is favorable to public ownership of the 'phones, but differs from the Government's program in that it would have the 'phones owned and operated by the Provincial government only, instead of by the municipalities and the Government jointly, as the Government proposes. The executive of the Union of Manitoba Municipalities on the 9th inst. thanked the "Provincial Government for its action in giving practical effect to the representations of the Union of Manitoba Municipalities, thereby recording recognition of the paramount importance of municipal rights in regard to the ownership and control of public utilities," also suggesting certain courses of action with respect to the construction of the system.

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In the new Province of Alberta much progress is reported along the line of public ownership. A government owned and operated telephone system is reported in project between Edmonton and Lloydminster. Edmonton might be called the Glasgow of Canada. In addition to a progressive system of taxation she also owns her own street railway, telephones, water works and electric lighting system. A number of the new towns throughout the Provinces of Alberta and Saskatchewan are following the same course.

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In Toronto, Ont., a large majority has just voted for cheap electrical power which is to be owned and operated by the city, and to be brought from Niagara Falls. A significant victory has also been won by the single taxers of that city in the election of one of their number, Mr. J. W. Bengough, the cartoonist of *The Public*, to the city council.

PAUL M. CLEMENS.

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Perhaps we can forecast the career of woman, the citizen, if she is permitted to bear an elector's part in the coming period of humanitarianism in which government must concern itself with human welfare. She would bear her share of civic responsibility, not because she clamors for her rights, but because she is essential to the normal development of the city of the future.—Jane Addams.