

his own intelligence, is to combine the patent monopolies in steel production, and also the natural sources of steel supply. And by means of another great combination—that of the railroads—controlled ultimately by the same little coterie that is to control the steel trust, monopoly of transportation also is secured. Combination of these monopolies is the thing. It is not combination in production that is sought especially, but combination of productive opportunities. These trusts are not organized to do things, but to do the people.

Make a simple test analysis and you prove it.

Imagine the withdrawal from the two great combinations, the steel trust and the railroad pool, of every monopoly, and what would come of those combinations? Suppose the iron mines were outside the pool. Suppose the coal mines were out. Suppose there were no patents to be combined. Suppose the railroad rights of way belonged to hostile interests, which were free to regulate traffic. Yet, let these two great combinations own everything else, and what power would they have?

Or, to put the same idea in another way, suppose the ore mines, the coal mines, the railroad rights of way, and the patents, all belonged to one trust, while the steel works, the railroad equipment, the machinery at the mines, and everything else of a competitive nature belonging to these two great combinations, were owned by another. What would be the relative power of the two? Would not the latter be as a pigmy to a giant?

Again: Suppose that ownership of the coal and the iron mines were so adjusted that they could not be monopolized profitably by anybody. Suppose the same thing were so far true of the railroad rights of way that anybody's transportation facilities were on a level, and suppose the steel making patents had expired, who, then, would care a picayune whether Mr. Morgan combined the steel and railroad interests or not? Nobody. It would in that case be evident to everyone that these combinations would have to render the best possible service to the public or disintegrate.

All that is evident upon a little re-

flection. And when perceived it almost makes one impatient with the multifarious skin remedies that are concocted for this constitutional disease that evolves trusts. Every injurious trust is built upon some monopoly. Upon one that is conferred by the government directly, or upon one that is acquired from a direct beneficiary of government. Scores upon scores of little monopolies, and some big ones, rest upon the subletting of special privileges by railroad monopolists. Take away these monopolies, and trusts will take themselves away. Monopolies of ore mines, of salt mines, of railroad rights of way, of territorial privileges, and so on, fortified by tariffs which protect American monopolies from the competition of foreign monopolies—such are the things, and such alone, that make trusts possible.

NEWS

The senate amendments to the army appropriation bill—including those provisions regarding Cuba and the Philippines which we quoted in full last week in reporting their adoption by the senate on the 27th, and which appear this week in our Congressional Record abstract—were incontinently accepted in a lump by the lower house on the 1st. This was done under the lead of the committee on rules, which brought in and under the previous question carried a rule requiring all the amendments to be disposed of as one. There was, consequently, no opportunity to reject either the Philippine or the Cuban amendment without rejecting the other and all the additional amendments besides. The same rule limited debate to one hour on each side of the question. Very speedily, therefore, the amendments were forced through in gross, by a vote of 161 to 136—56 not voting. This was a strict party vote, with the exception of four republicans whose names are recorded with the democrats against the bill. They were McCall, of Massachusetts; Loud, of California; Driscoll, of New York, and Mann, of Illinois. In the senate the only republicans to vote with the democrats and populists against these amendments had been Teller, Hoar and Pettigrew.

From this time on till adjournment the lower house was in a turmoil over appropriation bills. Both houses held

night and Sunday sessions. In the senate, Carter, of Montana, signaled the expiration of his term of office by holding the floor from 11:40 Sunday night until the dissolution at noon Monday, for the purpose of preventing a vote on the river and harbor appropriation bill. He succeeded; the bill fell through. At noon on Monday (the 4th) both houses adjourned, and the last session of the Fifty-sixth congress then came to an end.

Immediately upon the adjournment of the senate, Vice President Roosevelt took the oath of office and called the senate of the Fifty-seventh congress to order, pursuant to a presidential proclamation assembling it in special session for executive business. New senators having been sworn in, the senate proceeded in a body to the east front of the capitol to attend the inauguration of President McKinley, returning at the close of that ceremony and adjourning for the day.

The inaugural ceremonies are reported to have been the most magnificent in the history of presidential inaugurations. The president rode with Senator Hanna by his side from the white house to the capitol, where, at 1:17 in the afternoon, the oath of office for his second term was administered. In his inaugural address he began by comparing the heavy deficit of Cleveland's administration with the surplus of his own, and the industrial depression of that period with the prosperity of this, when "every avenue of production is crowded with activity, labor is well employed, and American products find good markets at home and abroad." Then leading up to the Cuban question he said:

The declaration of the purpose of this government in the resolution of April 20, 1898, must be made good. Ever since the evacuation of the island by the army of Spain the executive with all practicable speed has been assisting its people in the successive steps necessary to the establishment of a free and independent government prepared to assume and perform the obligations of international law which now rest upon the United States under the treaty of Paris. The convention elected by the people to frame a constitution is approaching the completion of its labors. The transfer of American control to the new government is of such great importance, involving an obligation resulting from our intervention and the treaty of peace, that I am glad to be advised, by the recent act of congress, of the policy which

the legislative branch of the government deems essential to the best interests of Cuba and the United States. The principles which led to our intervention require that the fundamental law upon which the new government rests should be adapted to secure a government capable of performing the duties and discharging the functions of a separate nation, of observing its international obligations, of protecting life and property, insuring order, safety and liberty and conforming to the established and historical policy of the United States in its relation to Cuba. The peace which we are pledged to leave to the Cuban people must carry with it the guaranties of permanence. We became sponsor for the pacification of the island, and we remain accountable to the Cubans, no less than to our own country and people, for the reconstruction of Cuba as a free commonwealth on abiding foundations of right, justice, liberty and assured order. Our enfranchisement of the people will not be completed until free Cuba shall be a reality, not a name; a perfect entity, not a hasty experiment bearing within itself the elements of failure.

His policy as to the Philippines was stated in these words:

The congress having added the sanction of its authority to the powers already possessed and exercised by the executive under the constitution, thereby leaving with the executive the responsibility for the government of the Philippines, I shall continue the efforts already begun until order shall be restored throughout the islands, and as fast as conditions permit will establish local governments, in the formation of which the full cooperation of the people has been already invited, and when established will encourage the people to administer them. The settled purpose, long ago prevailing, to afford the inhabitants of the islands self-government as fast as they were ready for it will be pursued with earnestness and fidelity.

We are not waging war against the inhabitants of the Philippine islands. A portion of them are making war against the United States. By far the greater part of the inhabitants recognize American sovereignty and welcome it as a guaranty of order and of security for life, property, liberty, freedom of conscience and the pursuit of happiness. To them full protection will be given. They shall not be abandoned. We will not leave the destiny of the loyal millions in the islands to the disloyal thousands who are in rebellion against the United States. Order under civil institutions will come as soon as those

who now break the peace shall keep it. Force will not be needed or used when those who make war against us shall make it no more. May it end without further bloodshed, and there be ushered in the reign of peace to be made permanent by a government of liberty under law.

The president has reappointed his former cabinet, having sent to the senate on the 5th the following nominations:

John Hay, of the District of Columbia, to be secretary of state; Lyman J. Gage, of Illinois, to be secretary of the treasury; Elihu Root, of New York, to be secretary of war; John W. Griggs, of New Jersey, to be attorney general; Charles Emory Smith, of Pennsylvania, to be postmaster general; John D. Long, of Massachusetts, to be secretary of the navy; Ethan A. Hitchcock, of Missouri, to be secretary of the interior; James Wilson, of Iowa, to be secretary of agriculture.

These nominations were promptly confirmed by the senate. For secretary to the president, George B. Cortelyou was reappointed.

Meanwhile the people of Cuba are agitated over the American breach of faith involved in the passage by congress of the Cuban amendment to the army appropriation bill, which may be found in our abstract of the Congressional Record; and the constitutional convention at Havana is earnestly debating the matter. Its concessions of last week (page 745) have been delivered to Gen. Wood for transmission to Washington, and Gen. Wood has sent to the convention an official copy of the senate amendment, subsequently adopted by the house, being the Cuban provision mentioned above. This was done on the 4th. No action upon it has yet been made public.

In the Philippines there appears to be no material change. The president's commission is proceeding with the organization of provincial governments, but from an interview with Gen. Grant it now appears that in these provincial organizations there is but "little real authority or self-government in the people themselves, the actual control remaining with the American Philippine commission." This remark was made in connection with a statement by Gen. Grant that he could not yet recommend the organization of either Bulacan or Bataan provinces. Still, the commission

has organized both, though in Bataan, if not in Bulacan also, it has appointed American army officers as provincial officials. Gen. Grant's intimation that the natives are not yet pacified is confirmed by scattering reports of fighting. An attack upon Suog, in South Ilocos, Luzon, and one upon Santa Maria, was repulsed after doing considerable damage. A body of armed natives was surprised by Americans near Posacao, on the coast of Camarines province, Luzon, a quantity of supplies being captured and a commissary general made prisoner. A similar capture was made on an island in the lake east of Manila. And an American detachment, attacked in Cavite province, lost three in killed and two or more in wounded. These indications of continued warfare are thus explained by President Taft, in a congratulatory dispatch of the 3d to President McKinley:

Fragmentary cable dispatches detailing small engagements, which are only the result of the increased activity of the army after the close of the wet season, and the efficient policing of the country, made possible by active native cooperation, create a wrong impression on the mind of the public as to the probable continuance of the war, and as to the conditions, which have in fact never been so favorable to the restoration of complete peace and the accomplishment of the declared purposes of the president.

There are reports of natives surrendering at various points, including that of Protesio Montejar, leader of the Filipinos on the island of Panay. The Americans now hold at Manila 4,500 Filipino prisoners of war.

There has been no news of any important change in the Chinese situation.

The latest trap laid by Lord Kitchener for the Boers in South Africa is now known to have failed, like all the others. This was the trap for Gen. DeWet. When our report of last week was written the British war office believed that DeWet, then in Cape Colony west of the Free State and south of the Orange river, near Hope-toun, would be caught between the British pursuing columns and the fast rising river. The expectation was shattered on the 1st by an official dispatch from Kitchener saying that DeWet had been "forced" across the Orange river and was then outside of Cape Colony. The same dispatch told of the capture of 200 Boers by the