

The King refused to accept their resignations, on the ground that no other cabinet could be formed at the present time; but the ministers refused to withdraw the resignations, and on the 30th they returned to Christiania, the Norwegian capital, from Stockholm, the Swedish capital, where the veto had been declared. The Norwegian parliament has decided to suspend negotiations in the matter for the present. The King's veto is not absolute. It may be twice exercised, but if the same bill passes three Norwegian parliaments, chosen at separate elections, and is vetoed upon its first and again upon its second passage, it becomes a law upon its third passage, without the King's assent.

American Politics.

When the Republican convention of Ohio (p. 121) reconvened on the 25th it adopted a platform favoring tariff protection, ship subsidies, a sufficient navy, enforcement of laws against monopolies, and legislation on railway rebates. Gov. Myron T. Herrick was renominated.

Franchise Taxation in New York.

By a decision of the United States Supreme Court, rendered on the 29th, the right of the City of New York to over twenty millions of taxes due from public utility corporations has been affirmed and an important principle of taxation judicially established. The decision sustains the constitutionality of the franchise tax law enacted during Roosevelt's administration as Governor of New York. This law subjects public utility corporations to a tax on the value of their franchises. It was attacked by the corporations upon the ground that the State, having granted these franchises as contracts, in consideration of money payments, could not impair their value by taxation, since a tax would be in the nature of an addition to the agreed consideration for the contract. Justice Brewer wrote the opinion of the Supreme Court. He argued that whatever strength there might be in the arguments against the law, "it would be giving them undue significance to hold that they are potent to displace the power of

the State to subject to the burdens of taxation property within its limits." The gist of the decision, as indicated by the press reports, is expressed by Judge Brewer in these words:

It must be borne in mind that presumptively all property within the territorial limits of the State is subject to its taxing power. It would not be doubted that if a grant of specific, tangible property, like a tract of land, and the payment therefor was a gross sum, no implication of an exemption from taxation would arise. Whether the amount was large or small, greater or less, if the payment was distinctly the consideration of the grant, that which was granted would pass into the bulk of material property, and like all such property be subject to taxation. If this be true in reference to a grant of tangible property, it is equally true with respect to a grant of a franchise, for a franchise, though intangible, is none the less property, and oftentimes property of great value.

Among the corporations which, under this decision, will be compelled to pay accumulated taxes under the franchise tax law, are the following:

The Manhattan Elevated Railway Company, \$4,221,951; Consolidated Gas Company, \$1,489,966; Metropolitan Traction system, \$6,025,184; Brooklyn Rapid Transit Company, \$2,222,656; Brooklyn Union Gas Company, \$931,268, and the New York and Harlem Railroad Company, \$984,024.

The Philadelphia Gas Question.

A complete victory for Mayor Weaver (p. 119) appears to have followed his defiance of the Republican ring and the United Gas Improvement Company of that city. The mass meeting at the Academy of Music, called for the 26th, to support the Mayor, filled the hall to overflowing and two overflow meetings were held outside. Meanwhile a writ of superseas had been granted in the injunction case, which suspended the operation of the injunction, and the Mayor at once ousted the directors of public safety and of public works, whom he had previously removed, and reinstated his own appointees. The injunction proceedings were withdrawn on the 30th. Public opinion has asserted itself without restraint, and in a manner which, though it has escaped criticism, might have been very severely condemned if similarly expressed by less important classes of the community.

An instance was the coercion of Walter T. Sykes, a member of the upper branch of the Councils, who voted for the objectionable gas lease. He is reported to have been called upon by a delegation of business men representing fifty millions of capital, who told him he must either resign from the Councils or support the Mayor's veto. A mob of thousands surrounded his automobile factory and with threats moved on to his house, where they were told he was. The police were powerless against them, and when they came to the house they yelled for Sykes to come out. Sykes appeared, white and trembling. There were cries of "Burn the house if he won't consent!" and kindred exclamations. Finally Sykes, almost weeping with fear, swore with uplifted hand to support the veto. Then the mob moved away. In similar ways several councilmen were induced to change their attitude toward the lease. With the tide of public opinion and administrative power running strongly against them, the United Gas Improvement Company decided on the 27th to abandon its efforts to get the lease. This was done in a letter from the president of that company to the presidents of the Councils, in which the former said:

The manner in which the whole subject has been treated induces the United Gas Improvement Company to believe that the community is opposed to any extension of the gas lease upon any terms. This being so, this company is unwilling to accept the ordinance which has been passed or to enter into any contract whatever with the city looking to any variation of the present lease. The United Gas Improvement Company, therefore, begs respectfully to advise the Councils that, for the reasons stated above, should the pending ordinance become a law, it will not be accepted by it.

Out of this gas lease agitation a municipal ownership movement has developed, the strength of which, however, is as yet uncertain. It contemplates the cancellation of the present lease to the United Gas Improvement Company, and also an attack upon the traction franchises.

The Traction Question in Chicago.

Interest in the Chicago traction question (p. 119) has been stimulated by two events of the current