

ient to corporate dictation than any Republican administration that had preceded it, and the record of that administration has been a millstone about the party's neck ever since. The influence exerted by Wall street over that administration's policy, the use of patronage to reward those who betrayed their constituents and the employment of the most reprehensible of Republican methods made the administration a stench in the nostrils of the people and kept in the Republican party many who were disgusted at that party's course. The odium which Mr. Cleveland's second administration brought upon the party which elected him did more to defeat the party than any one plank of the Chicago platform, or even than all the planks that were most severely criticised. But for the repudiation of the administration it would have been impossible to make any campaign at all, and even the repudiation, thorough and complete as it was, could not completely disinfect the party.

The greatest menace that the party has to meet to-day is not the probability but the possibility of the party's return to the position that it occupied from 1892 to 1896. This danger is not so imminent as the corporation-controlled papers make it appear, but in so far as it at all threatens, it paralyzes the energies of the party and nullifies its promises. Such a return would indicate a degradation of the party's ideals and a perversion of its purpose.

It ought not to be necessary to remind you that our last experiment with a commercialized Democracy changed a Democratic majority of 380,000 in 1892 into a Republican majority of more than a million in 1894. It ought not to be necessary to appeal to history—a knowledge of human nature and a faith in the integrity of the people ought to convince us that both principle and expediency lead to an honest fight waged by honest methods for the support of those honestly desiring the restoration of justice and equity in government. If the Democratic party will stand erect, face the future with confidence, defend the rights of the people and protect their interests wherever attacked, whether the attack comes from the financiers, the monopolists, the tariff barons or from the imperialists, it can look with confidence for a revolution of sentiment that will give us a victory worth having; and this victory when it comes will not end, as the victory of 1892 did, in the demoralization of the party, but in the building up of a Democratic organization which will deal aggressively with all of the evils of government, and find its bulwark in the affections and confidence of the masses.

Further indications of a possible business collapse (p. 23) have been coming up from Wall street during the past two weeks. There

was a general slump in stock values on the 15th, second only to that of May 9, 1901 (vol. iv, p. 88), when Northern Pacific Railway stock bounded up to \$1,000 a share and fell again, creating a collapse in all Wall street values. An out and out panic is reported to have been prevented on the 15th by the prompt action of a combination of bankers who came to the support of the market. On the 16th a "bear" raid was made on copper trust stock and it was forced down several points; while other stocks fell even more. These depressing conditions were not sporadic. They seem to have been typical, rather, of a general condition of many months duration. For on the 17th it was reported that as compared with the prices of 1902 there had been an aggregate shrinkage in railroad and industrial stocks of \$1,766,799,000. Nearly one-quarter of this shrinkage was attributed to three of J. Pierpont Morgan's enterprises—the International Mercantile Marine trust, the Northern Securities trust, and the United States Steel trust. The figures as to these enterprises were stated as follows:

Mercantile Marine—1902.	1903.	Shrinkage
Bonds, \$50,000,000	4½	
per cent.	103	97½ \$ 2,750,000
Com. stock, \$48,000,000	30	4½ 12,240,000
Pfd. stock, \$52,160,000	75	17 30,160,000
Northern Securities—		
Stock	118½	87 118,582,035
United States Steel—		
Com. stock, \$508,496,200	46¾	25½ 109,325,468
Pfd. stock, \$510,314,100	97¾	75½ 113,544,887

Shrinkage for three companies...\$386,602,390

In the aggregate, \$1,122,091,000 of the shrinkage in stocks is attributed to railway stocks, and \$644,708,000 to industrials. The depressing tendency continued. On the 21st a further violent contraction in steel stock values—the common stock touching 22, the lowest price in its history, and the preferred falling to 70, only one point higher than its lowest—cast over the entire market a cloud of gloom which has not yet floated away. But on the 22d there was a slight reaction under which steel trust stock rose, the common going to 23 and a fraction and the preferred to 71 and a fraction.

Outside of the United States, Venezuela's contribution to the news of the week is the capture by the government of a revolutionary stronghold—Ciudad Bolivar, on the Orinoco river. Since the government victory at Guatire in the Spring (p. 38), no definite or important news from the Venezuelan war was received un-

til the 16th, when a delayed dispatch from Soledad, an Orinoco town near Bolivar, reported a contemplated attack by government troops upon the latter city. A dispatch of the 17th told of the complete investment of this rebel city by Gen. Gomez; and on the 20th came the announcement of a bloody battle. The revolutionists had opened the battle at 5 o'clock in the morning of the 19th. At 6 o'clock the smoke over Ciudad Bolivar was so thick that it was impossible to see the city; at 7 o'clock the government troops, after a terrible fight, in which they lost more than 100 men, captured the cemetery; at 8 o'clock the Venezuelan fleet, consisting of five men of war, shelled the government building; at 10 o'clock the revolutionists' flag had disappeared from the government building; and at 11 all the streets near it were captured by the government forces. At 2 o'clock in the afternoon a block of houses opposite the government building was captured by storm, and when the smoke cleared away there were more than 200 dead revolutionists in the streets, besides scores of the wounded. Twenty-four hours afterwards, according to the next dispatch, the battle had continued to rage madly. Block after block was disputed, as the government troops slowly entered the city. The old custom-house and the waterworks were taken in turn, and the Dalton block, property of the United States consul, where all the leading German and French firms reside, was then under attack; while the jail was the center of a terrible resistance, all the defeated revolutionists having concentrated there. The artillery of the revolutionists was meanwhile fiercely replying to the attack of the fleet, which for two hours had been shelling the neighboring city of Soledad. The capitol was still in the possession of the revolutionists, but the complete success of the government forces was even then assured. The city appeared as if struck by a cyclone. At 7 o'clock in the evening the government forces, which were advancing from all directions, arrived near the center of Ciudad Bolivar. For two hours previously firing had diminished, but it was renewed with greater vigor at 10 o'clock at night and illuminated the sky. At 3 o'clock in the morning of the 20th, when the inhabitants of the commercial and foreign parts of the city near the alameda the public