

railroads, there comes first the question of conflicting sovereignties, due to the overlapping jurisdictions of States and nation.

But that question should present no practical difficulty. Australian railroads are owned by the States, not by the Commonwealth. German railroads are owned by the States, not by the Empire. Yet inter-State traffic is conveniently adjusted in both countries; and doubtless it would be as well adjusted if instead of the States the Commonwealth in the one case or the Empire in the other had the ownership.

In the United States we suppose that under government ownership we should have State ownership for State lines and national ownership for national lines, and that the adjustment of intra-State and inter-State traffic would be quite as easily accomplished, and far more justly, than under the present system of private exploitation.

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Another question of method relates to the unification of the highway with its operating processes.

On country roads this matter adjusts itself automatically; the government owns the highway, and the private operator owns the vehicle, operating it under appropriate government rules of the road. On canals there has to be special adjustment, but the principle is the same. The government owns the highway and its fixed mechanism; the private operator owns the vehicle, and operates it under appropriate government rules of the road. As to railroads, the government might own the highway and its fixed mechanism, as with canals, and leave the vehicles to private operation under appropriate government rules of the road.

Such an adjustment would be in harmony with principle and entirely practicable. But 75 years of national habit in railroad operation might offer a political obstacle—the obstacle of public opinion. We are accustomed to unitary ownership of the whole railway business, and custom must be taken into account in dealing with public opinion. For that reason it seems probable that we shall have to retain the unitary ownership of highway and operation. If so we must either continue to endure private ownership of rail highways or else assume government ownership of the railroad business. We must either let the dog go with the tail, or take over the tail with the dog.

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It is more difficult and more meritorious to wean a man from his prejudices than to civilize barbarians.—Voltaire.

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## NEWS NARRATIVE

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To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

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Week ending Tuesday, February 16, 1909.

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### Venezuela and the United States.

A settlement of the American controversies with Venezuela (vol. xi, pp. 899, 900) was reported from Caracas on the 13th. It was made by Mr. Buchanan, American commissioner, with Acting-President Gomez, whose succession to the Presidency seems now to be generally recognized. Under this settlement three claims go to The Hague tribunal for arbitration. These are what are known as the Critchfield concession, the Orinoco Steamship Company, and the Orinoco Corporation claims. The other two of the five claims that have disturbed the relations of the United States with Venezuela, are that of A. F. Jaurett, an American newspaper man expelled from Venezuela, and that of the New York and Bermuda Asphalt Co. Jaurett gets \$3,000 in full settlement. The Asphalt Company regains its concessions in Venezuela, agreeing to pay Venezuela a minimum of \$20,000 a year. It is also to pay \$60,000 as indemnity for its alleged participation in the Matos revolution.

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### Japanese Exclusion.

President Roosevelt's protests against anti-Japanese legislation (p. 154) appear to have been effective in California. After what is reported to have been one of the stormiest all-day debates ever known in the California capitol, the lower House, decided, on the 10th, to reconsider the Johnson bill, providing for segregating Japanese pupils in the public schools, and then killed the bill. This result is stated to have been accomplished largely through the influence of Gov. Gillett and Speaker Stanton, who called Assemblyman Grove Johnson, the author of the bill, into conference and tried to convince him that he should withdraw his bill. Johnson proved obdurate and not only declared he would not withdraw his measure but he would put up the best fight possible to secure its final passage, should the majority vote to reconsider it. They then called all the influential members into conference and labored to convince them that the passage of any anti-Japanese bills at this time would result in prejudicing the whole country against California,

and might even lead to revocation of the exclusion law against the Chinese. The vote to reconsider Johnson's bill was 43 to 34 and the final vote on passage of the bill was 41 yeas and 37 nays. President Roosevelt sent to Gov. Gillett the following telegram of congratulation:

Accept my heartiest congratulations. All good Americans appreciate what you have done. Pray extend my congratulations individually to all who have aided you. I feel that the way in which California has done what was right for the nation makes it more than ever obligatory on the nation in every way to safeguard the interests of California. All that I personally can do toward this end, whether in public or private life, shall most certainly be done.

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Similar action had disposed of the Oregon resolution (p. 155), it having been defeated in the Senate on the 9th.

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The Nevada Senate, also on the 9th, received from its judiciary committee an adverse report on the House bill prohibiting Asiatics from owning lands in the State (p. 155), and laid the bill upon the table by a unanimous vote.

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#### The Railroad Question in Oregon.

The railroad question has come into the Oregon legislature in a new form. A bill is now before that body which proposes to embark the State in railroad construction simply as an inevitable business necessity, to protect its interests from discrimination by private railroad companies. The Oregon Journal, of Portland, which favors the bill, makes this explanation:

We see the tremendous growth of our sister State of Washington. Why? Because of its railroads. Back of Tacoma and Seattle lies eastern Washington, with its large cities and abundant population rapidly growing; while eastern Oregon, a larger territory and fully equal to eastern Washington in natural opportunities, lies today an open desert—the region most neglected of railroads of any part of the United States. This brings us with all the force of the instinct of self-preservation to the question: Must a great empire wait the pleasure—the whim, if you please—of a single individual, a small group of non-resident capitalists? There is no plan, none in the world, which is not of better economic and commercial logic than to continue to occupy this helpless and humiliating position. There is still another suggestion. Mr. Harriman has millions of Oregon-made money to fight his rivals and to develop still further the State of Washington. Can there be any plan which economically and commercially is worse than for this State to sit helpless as a wooden idol while from its toll and soil and products tribute money is paid to prevent other roads from coming into the State for its relief. Such an antagonism of interest between this State and the private corporations con-

trolled by Mr. Harriman suggests a radical economic conflict.

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The bill provides, as it is described by the Journal, for "State construction for the State's own benefit; leasing, if wise, to private corporations for a rental never to be less than interest and all fixed charges, and a sinking fund to retire any indebtedness; and the State to control the reasonable rates and service. If aid is granted to a private corporation, the State is to be in full control until that aid is repaid, principal and interest, and if the State itself takes over the road, which it may do at its option, the aid granted shall be deducted from the purchase price. No State constructed road shall ever be sold." To this plan the Oregonian, also of Portland, objects that Mr. Harriman will welcome it, because after the road is built he will take it over at less than cost, and meanwhile he will freeze it out. But to those objections the Journal replies: "The answer to the first of these objections is that the State cannot sell. Mr. Harriman cannot take the road over at any price, save as a leased property under strict conditions of lease, one of which conditions is a rental at least sufficient to pay all interest and to create a sinking fund to liquidate all debt. The answer to the other objection is that the Interstate Commerce Act regulates all interchange of traffic, and if the State of Oregon cannot in its own interest regulate the traffic within its own borders it ought to suffer." Adding that "if Mr. Harriman does truly look with favor on this plan, the Journal is glad, for then there will not only be no opposition open or secret from railroad influence, but that powerful influence will for the first time be working hand in hand with the long neglected Oregon people," the Journal editorially states that it "is reliably informed that the best business men of the State are willing, if wanted, to act in this matter for the State without pay," and that "all the State is back of the movement, both the business men and the farmers."

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#### The Traction Situation in Cleveland.

Traction controversies in Cleveland (p. 156) are still unsettled. At the meeting of Judge Tayler's peace committee on the 6th the principal obstacle in the way of a settlement was the question of inserting in the proposed franchise an acceptable clause reserving to the city council the right to name another company to purchase at any time at 110; and Mayor Johnson and Mr. White were appointed a sub-committee to report upon this question.

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Another public meeting of the Council was held on the 8th, but no action was taken nor anything