

thrifty user of capital knows that when interest rates are low, profits in productive enterprises are low also. Or if he does not know it in advance, he discovers it when the sheriff sells him out. He may get his capital cheaply, but he cannot use it profitably. So far from being "one of the surest signs of national wealth and well being," as the Nation declares, low interest rates are one of the surest signs of industrial depression. Low interest has always been an accompaniment of hard times, and high interest of good times. What our low interest rates mean essentially is this, that capitalized speculative values have risen to such a high point—are so loaded with "water," to use a term that may be better understood—that the margin for interest is crowded almost to zero. The prevailing low rates of interest testify, more positively than anything else, to the completeness of the monopolization of natural opportunities for production. So complete and comprehensive is this monopoly, and so high are monopoly-buttressed capitalizations, that the profitableness of production has declined and interest has declined accordingly.

Among the McKinley campaign speakers is James H. Eckels, whom Cleveland made comptroller of the currency and who is now a Chicago banker. One night last week he spoke for McKinley at the Chicago Auditorium, putting the dollar above the man—the flag, the constitution and the declaration of independence below the banking trust. Mr. Eckels took occasion to say that he submitted—without fear of successful contradiction, that a bank, whether it be a national, state or private one, properly conducted and honestly managed, instead of being a cause of detriment to any community or harmful to any interest, is a source of strength and benefit.

And who has ever denied that? He might with equal ingenuousness have submitted, "without fear of successful contradiction," that a reservoir, "properly" secured and "safely" man-

aged, instead of being a menace to any community is a convenient source of water supply. The sticking point is at the adverbs. There is no issue regarding banks "properly" conducted and "honestly" managed. The objection is to banks that are not properly conducted nor honestly managed. It is urged that banks which are invested by statute with money issuing privileges are not and cannot be properly conducted or honestly managed. The privileges themselves are improper and dishonest. That is the point for Mr. Eckels to meet. Statutory privileges are public crimes, and their beneficiaries are to that extent public parasites. Let Mr. Eckels defend banking all he pleases, but let him fairly meet the real issue, which is not the usefulness of banks, but the burdens of statutory privileges conferred upon banks and the viciousness of a banking ring which corrupts congress to secure, to buttress, to extend and to perpetuate those privileges.

In speaking at Stourbridge, England, on the 9th, Joe Chamberlain summed up Great Britain's policy in these words:

To remain on friendly terms with every great country in Europe, and on something more than friendly terms with the United States.

When one nation is on "something more than friendly terms" with another, they have either an open alliance or a secret understanding. Does either relationship exist between Great Britain and the United States? There is certainly no open alliance. Is it true, then, that what Chamberlain, referring to the same subject, described some time ago as "an understanding between statesmen," really subsists between the McKinley administration and the tory ministry? If it is true, the American people ought to know it. We of this country would like to hold friendly relations with the English people. We tried to once, in the truest way—through free trade. But McKinley would have none of that. As a protectionist he preached enmity to England. But

now that there is an opportunity to form an alliance, not openly for free trade and peace with the people of England, but secretly for war and conquest with the tory ministry, it would appear from what Mr. Chamberlain says and from all the circumstances that Mr. McKinley has jumped at the chance.

The Chicago Federation of Labor, in responding to a request for an opinion on the subject, made by the Chicago street railway commission, takes strong ground in favor of municipal ownership of street railway franchises and against compensation to the city for granting franchises. On the latter point it truly says:

Compensation is merely a form of robbery. It is using the street railway company as a tax collector to extort from those who must ride on the cars a charge over and above the value of their ride, to be paid into the treasury to relieve the property-owners from paying just that amount of taxes. It is robbery pure and simple under the form of law and an abuse of the power of taxation that should not be tolerated for a moment. The cry for compensation, under the surface, is merely the cry of the downtown landlords for a share in the amount extorted from the people by a franchise holder.

The acting secretary of war, G. D. Meikeljohn, is another aspirant for notoriety who tries to hitch his donkey cart to Mr. Bryan's chariot. Mr. Bryan having spoken of the Sulu treaty as recognizing slavery, Mr. Meikeljohn writes an open letter to remind him that in October, 1899, President McKinley "confirmed and approved, subject to the action of congress," the Sulu treaty, with the reservation "that this agreement is not to be deemed in any way to authorize or give the consent of the United States to the existence of slavery." And Mr. Meikeljohn appears really to suppose that that quotation from McKinley refutes Bryan's charge. He seems totally oblivious to the fact that McKinley can be quoted on both sides of nearly every public question with which he has been officially connected, and that when he cannot be quoted on both

sides, he can be quoted on one side and be shown to have acted on the other. The question Mr. Bryan raises is not whether McKinley made anti-slavery reservations outside the treaty, but whether he in fact protects slavery in the name and by the authority of the United States as the suzerain power in Sulu. And that question is easily and incontrovertibly answered. Slavery does exist in Sulu; it exists there under the protection of the American flag; it exists there by the permission and in virtue of the authority of the American army, which McKinley commands. Mr. McKinley's reservation, which Meikeljohn quotes, is ignored by the Sulu sultan, by the Sulu slaveowners, by the American army, by the secretary of war and by McKinley himself.

INFLATED AND FALSE PROSPERITY.

The true character of McKinley prosperity is innocently exposed by one of the McKinley side shows in this presidential campaign, a "faked up" labor organization which calls itself the "Railway and Telegraph Employes' Political League" and has national headquarters in room 802 Grand Northern building, Chicago. From its literature there is no difficulty in discovering that the officers of this Hannaistic organization are much closer to the railway trust than they are to railway workmen.

One specimen of its pretentious labor literature is intended to demonstrate by figures the great prosperity which railway workmen are now enjoying as compared with the depression under which they suffered before Mr. McKinley waived his wand and brought forth good times. The whole first page of the document is accordingly devoted to sad pictures of the railway workmen's life in 1896, side by side with glowing pictures of his active and prosperous life in 1900. The other pages are devoted to a great display of comparative figures, which make it appear to careless readers that railway wages have risen wonderfully since 1895.

One is really impressed when he sees thus displayed a "gain of 143,899

in employes, "of \$77,459,635 in wages," and so on.

But let us examine these boastful figures somewhat in detail.

According to this veracious republican document there has been a great increase in the number of employes.

Here are the figures:

Number in 1895.....	785,034
Number in 1899.....	928,924
Increase	143,890

So far, then, so good. There has been, let us say, an increase in the number of railway employes.

Likewise with the amount of freight carried:

Tons of freight carried in 1895.....	696,761,171
Tons of freight carried in 1899.....	959,763,583
.....	263,002,412

Upon the faith of these republican figures, therefore, the roads carried much more freight in 1899 than in 1895.

Now let us see what these lump figures imply as to the individual work of the men. Since there were 785,034 employes in 1895, when 696,761,171 tons of freight were carried, the average per employe was 887 tons; and as there were 928,924 employes in 1899, when 959,763,583 tons were carried, the average per employe was then 1,033. So the increase of work in carrying freight averages 146 tons.

It follows that the railway employes were more prosperous in 1899 than in 1895—if heavier work is the same to them as prosperity. They had to handle 146 tons more per employe, which is nearly three tons more per week, in 1899 than in 1895.

Not only did they do more work; they made more money for the roads.

This same republican document claims an increase of net earnings of the railroads, over and above operating expenses, as follows:

Net earnings in 1895.....	\$349,651,047
Net earnings in 1899.....	456,641,119
Increase	\$106,990,072

Now what proportion do these net earnings of the road bear to the number of men whose labor helped earn them? Since there were 785,034 employes in 1895, when the net earnings of the roads were \$349,651,047, the average per man employed was \$445.39; and as there were 928,924 employes in 1899, when the net earnings had risen to \$456,641,119, the

average per man was then \$491.58. So the increase of net earnings for the roads averages \$46.19 to each employe.

It follows that the railway employes were more prosperous in 1899 than in 1895—if larger net earnings for the roads are the same thing to the men as prosperity. They turned over to the railway treasuries, over and above operating expenses, \$46.19 more per employe, which is nearly \$1.00 more per week, in 1899 than in 1895.

But that is not all. They increased the dividends of stockholders.

It is claimed by this same republican document that there has been an increase of dividends to the amount now shown:

Dividends in 1895.....	\$ 85,287,542
Dividends in 1899.....	111,009,822
Increase	\$25,722,280

What proportion do those dividends bear to the number of employes? Since there were 785,034 employes in 1895, when dividends were \$85,287,542, the average per man employed was \$108.64; and as there were 928,924 employes in 1899, when dividends had mounted up to \$111,009,822, the average per man employed was then \$119.50. So the increase of dividends for railroad stockholders averages \$10.86 to each employe.

It follows that the railway employes were more prosperous in 1899 than in 1895—if larger dividends for stockholders are the same thing to the employes as prosperity. They turned over to railway stockholders \$10.86 more per employe, which is over 20 cents a week, in 1899 than in 1895.

We venture to question, however, whether larger dividends for stockholders, greater net earnings for the roads, and heavier work, constitute in themselves what may be called prosperity for railway employes. Such prosperity may be satisfactory to the "Railway and Telegraph Employes' Political league," who possibly regard work as a greater boon than wages, and it may be a complete fulfillment of the McKinley prosperity promises; but to the traditional "man up a tree" wages would appear to be the most important considera-