

appointing Harlan to office at this particular juncture? None at all. Every legitimate consideration was against it. Though nobody questions his abilities, there must be one or two young republicans equally able whom Mr. McKinley might have chosen. Why did he prefer Harlan? Since it has taken Mr. McKinley nearly four years to discover Harlan's peculiar fitness for official life, though the young man's qualifications were early called to his attention, the appointment just at the moment when Justice Harlan's judicial leanings toward a presidential policy happened to be of supreme importance to Mr. McKinley, is most disagreeably suggestive. If it does not imply a purpose of influencing the court, it does imply indifference to public confidence in the court, and for practical purposes both are bad unless promptly rebuked. Since young Harlan has not seen fit to defend his father's good name by refusing McKinley's indelicate appointment, it is to be hoped that Judge Harlan himself will not omit to administer a fitting rebuke at the first opportunity.

We take pleasure in promoting the circulation of Gen. MacArthur's official assurances that "houses of prostitution are not licensed, protected or encouraged" by the American military authorities in the Philippines. The public may now draw its own conclusions, from Gen. MacArthur's official assurances on one hand and the photographs of manifestly protected resorts of this character on the other. Incidentally it will be noted that official assurances from Manila in the past have not proved to be altogether trustworthy.

So enormous are the combinations of monopolies now forming that the mind cannot take in their magnitude. To speak of them in general terms is like speaking of astronomical distances in the ordinary terms of measurement. They cannot be appreciated without resort to striking sim-

iles or comparisons. Something of this kind is fortunately furnished, by a partner of J. Pierpont Morgan. He furnishes it quite blandly, as if unconscious of its tragic significance. We refer to Robert Bacon, of the firm of J. P. Morgan & Co., and a director of the Federal Steel company. His words will be found in the New York World of January 15, 1901. Mr. Bacon had been asked by the World reporter:

Would the purchase of the Carnegie Steel company mean that the railroads, the coal companies and the steel companies would all be controlled by one community of interest?

He replied:

**By one man. When this combination is completed, J. P. Morgan will be the absolute head of it all.**

The combination in question, though not yet complete, is in process of successful negotiation.

That extraordinary statement of a leading member of the firm of J. P. Morgan & Co. throws a brilliant light into the depths of the industrial precipice toward the brink of which this monopoly-ridden nation is rushing. Further light—not direct, however, but reflected—is thrown upon the omnipotence of Morgan's house by an observant Wall street reader who writes:

My association (or should I say attrition) with a Wall street banking firm during the past two years has given me much information as to the fearful power already exerted by the house of J. P. Morgan & Co., which, with at the most three others, can damn any financial project brought to New York. In the matter of the National Tube company organization alone, I am positively informed that they received as promoters, not underwriters, \$10,000,000 of the stock, \$5,000,000 preferred and \$5,000,000 common; and that company earned 24½ per cent. on its common stock, after paying its seven per cent. on the preferred and writing off, etc. The tremendous ramifications of the three groups (which are practically one), as represented by Morgan, Standard Oil and the Metropolitan Traction company (which as you know is also the United Gas Improvement company of Philadelphia and also the Chicago Traction interests) are such that no business man, however rich and powerful, can stand against them, even if disposed to do so. I really believe that John Wanamaker, for in-

stance, would not last two years if he should offend them and they should deem it necessary to remove him from their path.

### THE WAGES SYSTEM.

#### I.

Students of the mystification theories of political economy, now funning their course through American universities, like the whooping cough or the measles through a district school, must notice that the most prominent characteristics of these mighty triflings with the human reason are infinite detail and slovenly classification. They are often so absurd in those respects as far and away to outdo old Polonius in his analysis of the drama into—tragedy, comedy, history, pastoral, pastoral-comical, historical-pastoral, tragical-historical, tragical-comical-historical-pastoral, scene indivisible, or poem unlimited.

This lack-method method of university "economics" gives "scientific" sanction to an industrial theory which originates in vulgar observation of superficial appearances, and is commonly distinguished as "the wages system."

Plutocrats stubbornly cling to "the wages system" as something good, while socialists wish to abolish it as an unmitigated evil. Both see it, however, in the same way. They see it as Talmage and Ingersoll saw religion, upside down; and like Talmage and Ingersoll with inverted religion, one likes it and the other doesn't. According to this economic concept labor is a commodity. It is bought and sold in the markets; and its price, like the prices of other commodities, rises and falls with the fluctuations of demand and supply—the demand that affects labor price being demand of employers for wage workers, and the supply being the supply of men wishing to be hired.

To the socialist "the wages system" is a system of slavery, the wage worker being forced by it to sell himself from period to period, for life, in a market glutted with wage workers. To the captain of industry it is a convenient system—he would not call it slavery, for he doesn't like the word—of making "capital and labor friends, not en-