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President McKinley is culpably negligent, else the western crops would not now be threatened with drought. We incline to attribute this fatality to natural causes. But if good crops have a political origin, which is part of the McKinley philosophy, why not bad ones? If the McKinley administration made western fields rich with harvest, as McKinley newspapers and speakers proclaimed at the time, why may not the administration be held responsible for western harvests blighted?

According to the thirteenth statistical report of the interstate commerce commission, just issued, the American railways were phenomenally prosperous during the year ending June 30, and inferentially, so we are assured, the industrial masses also were prosperous. Gross earnings were $1,487,044,814, an increase of $173,434,696 over the previous year. The net earnings were $525,616,303, or about 35 per cent. of the gross earnings. Wages and salaries were only 39 per cent. The net income available for dividends or surplus was $227,180,447, or about 15 per cent. of the gross earnings. This is certainly a good showing for the railroad corporations. On the inferential point it will be prudent to reserve a doubt.

An astounding declaration was made at the banquet of the Illinois Bar association at Chicago on the 12th by Judge Cartwright, of the state supreme court. "The supreme court," said he, "is often called on to furnish a decision which shall be the basis for some security to be floated or some real estate to be disposed of;" and "all the attornies in the apparently disputed case often represent one side, and take that means of getting a stamp of approval from the court merely for commercial purposes." Is it possible that the judges of the supreme court of Illinois knowingly allow this trick to be played upon them?

Mirabile dictu! A McKinley office holder, high up in the treasury department, has discovered and announced that it is just as important to a commercial people to import as to export. He is Frederick Emory, chief of the bureau of foreign commerce; and as quoted by the Chicago Tribune of the 13th he says:

> The solution of what now seems a puzzling and difficult problem will be found in an adjustment of tariff relations which will permit us to sell more goods in Europe and to take more in return. It may well be doubted whether we would benefit, in the end, by a selfishly one-sided policy, and it would certainly not be a gain to humanity, if we succeeded in crushing European industry and the beneficial influences which flow out into the world from the refinement, the culture, the trade activity it supports. On the other hand, we might actually inflict great loss upon ourselves by impairing the power of the European nations to purchase from us.

Well may the Tribune, an administration paper, say by way of comment on that quotation, that "it has not been the habit of men holding responsible positions under republican presidents to give utterance to views like these," and that "it would have been considered heretical once to suggest that the importation of goods from Europe should be encouraged." If this free trade doctrine is to be adopted by the McKinley administration, what becomes of the republican platform boasts about an enormous and increasing volume of excessive exports? Imports will bring them down. What becomes of Mr. McKinley's inflow of "pure gold?" If Europe pays in goods she will not pay also in gold. What becomes of the whole protective tariff philosophy? It must fall to the ground the moment its supporters conclude that profitable trade consists not in exporting but in exporting and importing.

Among the newspapers that are coming to understand the absurdity of the "balance of trade fallacy," which has led Mr. McKinley to suppose that the more wealth a country loses and the less it gains—the more it exports and the less it imports—the richer it becomes, is the Rochester Herald. Presenting the matter to its readers in a concrete illustration, it says:

> For the purpose of our illustration we may regard tne United States as an individual, say Uncle Sam. Suppose him to buy a cargo of wheat for $100,000, load it on his own ship, and send it to England. He pays himself $25,000 freight, and, reaching England, sells his cargo for $200,000. Then immediately he buys $175,000 worth of woolen goods and starts home. Arriving in America, he pays himself $45,000 freight, enters his cargo at the custom house at $175,000, and puts it on his shelves at a valuation equal to cost, $175,000, plus freight, $45,000; plus profit, say $45,000, or $260,000. Here we have an interchange of commodities which appears upon the custom house books of Uncle Sam as "exports, $100,000; imports, $175,000," and the balance of trade is against him by $75,000. In England the reverse is true; her customs entry is "imports $100,000; exports, $175,000." Consequently, according to some of the would-be authorities on political economy, Uncle Sam is $75,000 poorer by the transaction, while England is $75,000 richer. Is that so? It is not. Uncle Sam began the trade with $100,000, which he put into wheat; he ends it with $260,000 worth of woolens, which cost him the wheat and the $65,000 which he had paid for freight, or $165,000, and

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he is exactly $95,000 ahead of the game.

Such a kindergarten illustration ought not to be necessary to convince anyone that a country, like an individual, is enriched by the wealth it takes in and not by what it sends out; but the protectionists have stood on their heads so long that kindergarten exercises seem to be necessary to get them to seeing things right side up. The service that exporting performs for an individual or a people is not in the exporting itself, but in the importing that it induces. It is the imports and not the exports that enrich.

David B. Hill's friends are allowing it to leak out that Mr. Hill intends to make a fight for the democratic nomination for president three years hence. This announcement, though doubtless serious, is made early enough to give it the flavor of summer politics. Mr. Hill has no chance of getting the nomination. Democrats don't want this man, who gives no other evidence of his democracy than the label he wears; and though the plutocrats of the party would prefer him even to Gorman, indeed to anybody but Cleveland, they are not likely to be so foolish as to nominate him if they get control of the convention. Their candidate will be a dark horse—somebody like the McKinley-democrat now mayor of St. Louis, whom the financial combines know and can trust but of whom the people have heard little or nothing. Hill is one of those men whom a democrat might properly vote against, not because he knows the opposing candidate but because he knows Hill.

In an article in Collier's Weekly, recently reproduced in the Commoner, Mr. Bryan discusses the trust question carefully and forcibly. Following his usual analytical method, he divides the subject into three parts. First, he considers the existing "condition;" secondly, the probable result of "present tendencies;" and thirdly, "the remedy." In very much of what Mr. Bryan says we heartily concur. When, for instance, he argues that the trust issue involves a conflict between competition on one hand and private monopoly or socialism on the other, he generalizes accurately. That, indeed, is the essence of the trust issue. He phrases it with characteristic brevity and force. "If the people decide," he says, "that competition should be suppressed, they must choose between private monopoly and socialism." And in mentioning the alternative, he does not halt at socialism as it is now most generally understood. He refers to the extreme of socialism to which a socialistic tide would inevitably sweep us. By socialism, that is, he does not mean merely "that system of socialism, now called extreme, which would place the government in control of all the forces of production and distribution, but a still more complete system, which would make the state the beneficiary of all service rendered and the distributer of all compensation." This startlingly exact presentation of the trust issue should arrest general attention and command the most serious consideration of the conscientious men of all parties. Even more impressive is his challenge to public opinion to decide between competition and its opposite. "If competition is desirable," he argues, "a private monopoly is indefensible; if, on the other hand, the suppression of competition is a thing to be desired, some plan must be devised to make the suppression complete." By way of moral suggestion, he adds: "It would be obviously unfair for one portion of the community to be protected from competition while another portion was subjected to it." In other words, the alternative which the trust question presents to the American people is competition or socialism—full and free competition or its absolute and complete suppression. In all this and much more we find ourselves in full accord with Mr. Bryan's view; and we should be in accord with him throughout, if all he says were in harmony with these fundamental conceptions.

But Mr. Bryan's remedy seems to us to be at variance not only with his evident preference for competition, but also with the principles of democracy as recognized in this country. He proposes "the extinction of private monopoly" by state statutes regulating the business of outside corporations within their limits, and by acts of congress supplementary to the state laws. These acts of congress would forbid monopolies from engaging in interstate commerce, and from using the mails, interstate telegraphs and railroads. They would prohibit the watering of stock by corporations engaged in interstate commerce. They would forbid corporations doing more than a prescribed proportion of interstate business. They would require all corporations to sell to all customers at the same price and on the same terms, and would remove the tariff from trust-made articles. And to this end, they would provide a congressional license for corporations engaged in interstate commerce. These propositions, coming from a democrat to the democracy—though Mr. Bryan has proposed them before, and thereby smoothed the way for them—must be at least disturbing to men who shrink from the republican tendency, already alarmingly strong, to centralize all power in the national government; while those who dread the advances of socialism, must be aghast at this democratic proposition to strengthen enormously the foundations already laid for making of the American government a great socialistic state. All these proposals for federal action are centralizing, federalistic, and in an objectionable sense socialistic, save only one—that with reference to the abolition of protection for trust made goods. Judged only by his remedy, Mr. Bryan might fairly be supposed to have decided the issue of competition versus socialism against competition. Yet that is not what he intends to do. He believes that this complex machinery in restraint of free trade would extinguish private monopoly.

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