

ment Medled no farther with Trade, than to protect it, and let it take its Cours. Most of the Statutes, or Acts, Edicts, Arets and Placaarts of Parliaments, Princes, and States, for regulating, directing, or restraining of Trade, have, we think, been either political Blunders, or Jobbs obtain'd by artful Men, for private Advantage, under Pretence of public Good. When Colbert assembled some wise old Merchants of France; and desir'd their Advice and Opinion, how he cou'd best serve and promote Commerce; their Answer, after Consultation, was in three Words only, *Laissez Nous faire*. Let us alone. It is said, by a very solid Writer of the same Nation, that he is wel advanc'd in the Science of Politicks, Who knows the ful Force of that *Maxim Pas trop gouverner*. Not to govern too strictly. Which, perhaps, wou'd be of More Use when aply'd to Trade, than in any other public Concern. It were therefore to be wish'd that Commerce were as fre between all the Nations of the World, as it is between the several Countys of England: so wou'd al, by mutual Communication, obtain more Enjoyments. Those Countys do not ruin one another by Trade; Neither wou'd the Nations. No Nation was ever ruined by Trade; even, seemingly, the most disadvantageous. Wherever desirable Superfluities are Imported, Industry is excited; and thereby plenty is produc'd. Where only Necessarys permitted to be purchas'd, Men wou'd work no more than Necessary for that Purpose.



### An Ohio Judge on the Recall.

Judge Wanamaker of Akron, Ohio, spoke with great frankness to the gentlemen of his profession at Chicago last week on the subject of recalling judges. To the protests that judges should not be governed by the people, he retorted that "we have in this country" something worse—"a government of the people by the judges." To the plea that judges should be sacrosanct, his retort was that "our judges are chosen from the big lawyers, and the standard of the big lawyer is nearly always the big fee." And when he dealt with the pitiful point that under the Recall, judges would "keep an ear to the ground," he made a reply which unhappily goes to the heart of the question: "I would rather they kept both ears to the ground than that they kept one ear to the railroad track!" Men who honestly shrink from subjecting judges to the popular Recall, have only their own indifference in the past to thank for the now irresistible tendency in that direction. Had they been as solicitous for the judicial ermine when railroad lawyers were coming into wearing it to soil it, as they are now that popular distrust of the judiciary has been thereby aroused, the Recall might never have been demanded. As it is, the ordinary citizen finds it difficult to reconcile the unanimity, in opposition to the judicial Recall, of Big Business and the lawyers and judges thereof, with any other motive

than a desire to save to privileged classes this last resort of Privilege.



### Municipal-Ownership "Failures."

We have our attention called frequently to announcements in subsidized periodicals or from subsidized news sources, that municipal ownership has, in this place or that, disastrously failed; but upon running down the facts have found them invariably so different from the reports that we are growing weary of the work.\* Hunting down lies is not very good sport; the quarry is so little worth while after it has been caught. From our experience we think it fair to assume that every report of a failure of municipal ownership of municipal utilities is either an out and out falsehood or a gross and deliberate misrepresentation. There is at any rate no unfairness in so assuming until proof to the contrary appears from better sources and through better channels than the trade papers that cater to Privilege. Our latest experience in hunting down these agile lies has to do with the public telephone system of Manitoba adopted in 1908.† The results of this experience we now offer.



Inspired news articles and editorials—inspired by the Bell monopoly and its angelic horde—have fluttered over the country, full of misinformation to the effect that in Manitoba "government ownership has proved a flat failure," that "the angry protests of the people who use the 'phone throughout the Province" are heard, that "the government promised substantial reduction in rates but the reduction has never gone into effect," that "the rates are even higher than they were under the Bell regime," that "even the municipal ownership people who use 'phones are kicking," that "every telephone in the Province will cost more from April 1," and that "there is talk of organizing a new company to buck the government." This is one of those half truths that are ever the worst of lies. Prices *had* gone up, and so had angry protests; but the inference that government ownership of the telephone system in Manitoba has proved a failure, flat or otherwise, is absolutely false. Any one may learn this for himself by inquiries in Manitoba outside of Bell monopoly circles.

\*As an instance, see the reports on the British telephone system in *The Public* of September 18, 1908, vol. xi, page 580; also *The Public* of December 29, 1911, vol. xiv, page 1307.

†See *The Public*, volume ix, pages 749, 991; volume x, page 1037.

Here are the facts. The Tory party was in power in Manitoba. With a certain torystic instinct, it "stood in" with the Interests. A popular reaction against torysm had begun in Canada as in the United States, which expressed itself concretely in opposition to monopoly of public utilities. To meet this threatening wave of public sentiment the Tory ministry of Manitoba came out for public ownership of telephones, promising a system with better service at half the cost of the Bell system. It actually began construction, but just at this point the trick was played. Whether or not the Tory ministry were a party to that trick consciously, or were only buncoed, is not now important. The Bell company worked off the trick all the same. It began with negotiations for the sale of its own plant to the Province. After due delay, enlivened with propositions and counter-propositions largely featured in the newspapers in evidence of the progressiveness of the Tory reactionaries, the Bell system was unloaded upon the government. This was done at a *secret session* of the Tory cabinet and without legislative ratification. The price was \$3,200,000—just about *one million dollars more* than the system could have been duplicated for anew, and probably a full *million and a half more than the system as it stood was worth*. This excessive capitalization has made rich pickings for the Bell stockholders and been a heavy burden upon the operation of the system by the government. Nevertheless, the Tory ministry concealed the burden for a time. They made a reduction in rates, more apparent than real, and yet reported each year a "splendid surplus." By transferring this from telephone purposes to general purposes, they further crippled the telephone system. Only a year ago the transferred "surplus" was \$110,000. At that time the Tory ministry predicted a "surplus" for the present year of \$300,000, but before they could transfer it their house of cards collapsed. The chairman of the Telephone Commission announced that the deficit for operation in Winnipeg last year was \$75,000, and that it would be the same this year unless rates were increased by April 1st. There were then no "splendid surpluses" in the telephone fund to draw upon, the general fund having got such as there had been; and the excessive price paid the Bell concern was inexorable in its demands for interest on a million or a million and a half of watered capital. With an interest account running from 30 per cent to 50 per cent higher than it would have been but for the secret deal between the Tories and the Bells, and with all surpluses promptly transferred from telephone account to general account, it is not remarkable that there should be a deficit.

But does this show "flat failure" of public ownership?



In the same city of Winnipeg where the municipal telephone system is so "flat" a "failure"—though managed by the identical man who managed the same system for the Bell company before they unloaded it upon the public for double its value—there is another public utility, electric power\*; and this proved so great a success that local sentiment is unwavering for public ownership and operation of public utilities. Under private ownership and operation the rate for electric light was, at the lowest, 10 cents per kilowatt hour; under municipal ownership and operation it is 3 cents, and as low as 1 cent under contracts for heating and cooking. The plant for this public utility, costing about the same to construct that the telephone plant cost on purchase from the Bell company, is of the first class and there is no water in the price. It was constructed within the estimate, can supply power in almost unlimited quantities, and is selling it at the prices set forth in the original prospectus upon which the people voted at a referendum four years ago. The lighting bills in Winnipeg have consequently been cut enormously. But there was in that case no secret bargain with any public utility company. Whenever a public utility publicly owned and operated is exploited as a failure, it is reasonably certain that the "failure," if not a lie out of whole cloth, has been caused by the crooked hand of some public utility company. In the Manitoba telephone case all the facts at all indicating "failure" are traceable directly to the secret bargain between a Tory cabinet and a Bell telephone company.



### Death of Edward Homer Bailey.

The Johnstown Democrat, first among the daily representatives of democratic Democracy in American journalism, lost one of its editors in the death last Friday of Edward Homer Bailey; and Warren Worth Bailey, the editor-in-chief, loses in this death of his brother a most efficient and sympathetic associate. For nearly twenty years these two men, both indoctrinated in the political philosophy and inspired with the moral enthusiasms of Henry George, have made the Johnstown Democrat a civic power in Pennsylvania and a welcome newspaper in a vastly broader field. While Warren Worth Bailey lives, the Democrat cannot fall in prestige or react in principle; but the death of

\*See The Public of January 26, 1912, page 78.