

restore his meaning, at the same time apologizing for the error both to him and to Governor Shallenberger.

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"Who Pays the Bills?"

In its issue of August 5, Collier's Weekly asks this interesting question in a very interesting connection. It is the title to an editorial, and here is the editorial:

The Western Newspaper Union is offering to a list of papers throughout the West page plates containing the speech of Senator Sutherland of Utah against the Initiative and Referendum. Many newspapers which are not careful or scrupulous will accept this gift, because it means the saving of a very considerable amount of money—the cost of setting up a page of type. Equally, the broadcast distribution of these plates must cost many thousands of dollars. Who is paying the bill? It is perfectly proper that Senator Sutherland's speech should be widely circulated and read, but when the work of getting it into the newspapers is done by stealth and at great expense it is proper to inquire who is sufficiently interested to pay the bill. Senator Bourne is getting his views in favor of the Initiative and Referendum widely circulated, but there is no secrecy about the method by which it is being done.

Sure enough, then, who *does* pay those bills? The remark about getting into the newspapers "by stealth" is at least suggestive of some of the political methods of our industrious friend, Mr. Allen Ripley Foote, of Columbus, Ohio; and the whole affair recalls Mr. Foote's "Ohio State Board of Commerce." Neither he nor his "board" may in fact be aware of this particular scheme for "knocking" the Initiative and Referendum. Nevertheless, as they are soliciting contributions, *especially from corporations*, for influencing the coming Constitutional Convention against the Initiative and Referendum, Collier's might learn something to public advantage if it pursued its inquiries in Ohio. [See current volume, page 772.]

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Those Chicago "Labor Thugs."

A dangerous group of thugs were convicted of a high crime at Chicago last week, and by some kind of newspaper preconcert the reports of their trial and conviction have distributed a notion over the country that these men were "labor thugs"—in other words that they and their criminal methods were part of the tactics of labor organizations. Unfortunately the official leaders of one, or possibly of two or three labor organizations, have furnished facts enough to lend color of truth to this otherwise utterly unfounded slander upon the labor movement. Apart, however, from those

relatively unimportant facts, there is not even color of truth to the slander.

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These thugs and their backers are unknown to labor unions, except as enemies of organized labor. To the extent that they may have been employed by any legitimate labor official, it has been done in the foolish expectation of "fighting fire with fire." The "labor" group to which the thugs belong, has for years been a vicious political element in Chicago, supported in part by City Hall appointments during Harrison's former administration, and thereby gaining control of the local Federation of Labor. Its control was broken soon after the public school teachers came into that body. Several attempts were made to recover control by "strong arm" methods, the last of which was frustrated by the police under orders from Mayor Dunne.

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The "strong arm men" of this "labor bunch" have furnished the aid that crooked business men and ward politicians wanted. They have served as strike breakers where employers needed violence to divert public sentiment. And at least two Chicago newspapers—Hearst's and the Tribune—have but recently employed some of them to "promote circulation." Labor organizations are probably no more virtuous, take them by and large, than business organizations, but the mendacity of the newspaper attempts to falsify the affiliations of those convicted thugs by calling them "labor thugs," with a view to making organized labor appear to be peculiarly wicked, is cowardly and mean.

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That "Favorable" Balance of Trade.

For the further enlightenment of Protectionists, and of "Free-traders-but—," we invite attention to this year's summary on page 831, of American exports and imports. It will be observed that the excess of merchandise exports (which means net merchandise outgo), is \$520,706,304. This is our "favorable" balance for the fiscal year ending June 30, 1911.

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But why is a net outgo favorable? "Oh," comes the glib reply, "because it all comes back in pure gold." But it didn't last year. Only \$51,097,360 is the net excess of gold imports; and that is reduced by the net export of silver, amounting to \$18,812,709. So the specie payments for our "favorable" balance of \$520,706,304 amount to only \$32,284,651, or barely more than 6 per cent.

What about payment for the balance? "We must have got it in advance." Not at all. The "favorable" balance—excess of outgo over income, gold, silver and merchandise all considered,—since 1898, is \$6,783,851,192. Since 1834 it is \$9,406,470,509. We were evidently not paid in advance. "Going to get it in the future then." But where's the evidence? American bankers' rights to draw on London, foreign stocks and bonds on our exchanges, American investments in foreign land titles—where are they all? Don't point to future payments unless you show evidence of some legal or commercial right to them; and you can't show any such rights which are not in the aggregate exceeded by corresponding rights the other way. If we have rolled up nearly 10,000 millions excess of outgo over income in the past 75 years, what reason have you for expecting a reversal of that flow, unless you can show the documents or unless you expect us to abolish Protection? And if the flow were reversed, so that our income instead of our outgo were in excess, wouldn't that be an unfavorable balance of trade?



"But freight on foreign ships, tourists' expenditures abroad, immigrants' remittances to the home folks," etc., etc., etc. Oh, yes, we hear about these often, but what are the facts? How much one-sided trading of that kind is there, and why is it "favorable" to the United States? Then "what about American shipments at American prices on paper, but at cut prices in reality, whereby the export or outgo figures are 'stuffed'?" A fact, no doubt; but how much, and why favorable to the United States? "Just one thing more: Would ground rents for American land owned abroad, and dividends on the watered stock of special privilege corporations held abroad, and that sort of thing,—would they account for our excess of outgo, for our 'favorable' balance?" Very largely, no doubt, but what are the facts and why is that condition favorable to the United States? Can only echo answer?



With Apologies to the "Lineotypeortwoster."

[Scene—White House. Secretary enters with engrossed message.] "Where do I sign?" "Right here, sir." [Signs without reading.] "Beg pardon, sir; but wasn't that a rather strong approval of free trade to sign without examination?" "Free trade! Bless me I thought it was a quit-claim to Alaska."

"THE RULE OF REASON."

As Court decisions based upon legal technicalities are not looked upon with favor, it is natural that the so-called "rule of reason" basis should produce a friendly feeling for the recent Sherman law decisions.

It is important to bear in mind, however, that reasonableness in making laws, and reasonableness in applying them, are two very different things; and that Courts have to do with the latter only.

Unfortunately what appears reasonable to one man or one body of men, may appear unreasonable to another. Thus a law-making body may consider it reasonable to broadly declare certain acts illegal, as for instance acts in restraint of trade; while a law-applying body may consider it unreasonable that such acts in all cases be held illegal. But it is not necessary to decide which opinion is correct in order to determine whether it is reasonable or unreasonable for the law-applying body to make the law conform to its own opinion of reasonableness. It is evident that in so doing it must change its own character and usurp the function of the law-making body.

The rule of reason as to law-making should be commended to the duly constituted law makers. Surely the rule of reason as to applying laws requires only that the intent be reasonably determined and put into effect.

Judges are not responsible for the making of laws, but they should be held responsible for applying them as made. It is obviously impossible to have government by the people unless this is done.

The determination of our highest Court to make laws conform to its own opinion of reasonableness, must break down the lingering opposition of real democrats to the application of the Recall to judges.

W. G. STEWART.



PRESIDENTIAL TENDENCIES.

The Taft administration, like that of President Grant, will be historically memorable as one under which the Republican party was brought to the verge of disruption. Under Taft, as under Grant, there is general complaint that the President, whose personal integrity has never been seriously assailed, and whose good intentions may be conceded, is in the hands of designing advisers. Their first interest is not to serve the public, nor to conserve the welfare and reputation of the Administration, but to promote the financial profit of the various monopolies to whose service they were