

bilities for fire loss in the San Francisco disaster are not very creditable to the ethical sense of fire insurance men. Their policies exempt them from responsibility for earthquake loss; but this clause means from losses due to collapse, and not to losses due to a conflagration started or indirectly caused by earthquake. On a structure destroyed by earthquake there is no responsibility; on one destroyed by a fire which might not have occurred but for the earthquake there is no earthquake modification of responsibility. These companies owe the fire losses, and they do not owe the earthquake losses. Such was the sensible and fair view that was taken by the inter-insurers, who broke away from the companies in making adjustments and honestly paid their losses. But some regular companies are trying to force acceptance of 25 per cent. reduction on all their losses. They profess to base their claim on the fact that the conflagration was preceded by an earthquake, and that this fact should be considered in adjustment and fixed at 25 per cent. In fact, however, they feel that they need that 25 per cent. in their business. This policy may be "business," but it is not glorious.

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The Packing House Exposures.

Some have said that Ibsen's "Enemy of the People" has no moral. But the packinghouse disclosures suggest that it may have had a very pointed moral. Did not the good and thrifty neighbors of "the enemy of the people" vigorously protest against the exposure of the poison in the health-giving springs as destructive of public interests? And isn't that precisely what the packinghouse proprietors have been doing instead of purifying their establishments?

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It has been the constant cry of the proprietors of these filthy food-factories that reports of the "alleged" condition of the factories ought to have been suppressed and they given opportunity to clean up. They have had ample opportunity. When Gen. Miles brought to their attention the condition of the meat they had supplied the army in the West Indies eight years ago, they got so busy trying to ruin Miles that they forgot to make their factories clean and their products wholesome. So it was when Dr. De Bey warned them at the time of the strike. They settled the strike quickly enough to save exposure, but they made no improvement in conditions. And did not Upton Sinclair's "Jungle" give them warning

enough? Yet they expended all their energy in assailing and lying about him instead of cleaning up. Not until the Neill-Reynolds report came out did they try to do anything in the way of renovation and reform, and this appears to have had no other object than the temporary one of fooling visitors and providing a basis for white-washing reports by business committees.

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Mayor Dunne's Victories in the Council.

Mayor Dunne scored a double victory in the City Council on the 18th. He overcame one of the most troublesome obstacles in the way of his traction policy, and with a veto he headed off an electric lighting grab which exhibited many symptoms of crookedness. The electric lighting job may crawl into the Council again, but the traction adjustment (p. 250) has been put forward very distinctly. As we have expressly stated before (pp. 169, 243), we regard the Chicago traction question as virtually settled, and on the essential lines of Mayor Dunne's "contract plan" of a year ago. Only two things can disturb it: either an adverse court decision on the statute which underlies the whole subject, or manifest bad faith on the part of the traction interests. That our view in this respect is fully justified appears from Mayor Dunne's message approving the change from cable to trolley, which we publish this week in our news columns.

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THE POSTAL SUBSIDY FOR PERIODICALS.

Outside of publication circles the fact may not be generally known that periodicals are subsidized by Congress. This is what the Post Office Department calls it, at any rate, and in the discussions in Congress this is the manner in which it is treated. Our reference is to the reduction in postal rates that is allowed for mail matter of the so-called "second class."

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Mail matter of this class is admitted to the mails in bulk at the postage rate of one cent a pound. The publisher is required to sort the copies of his paper and deposit them in mail bags according to their destination. He then delivers them at the post office, where they are weighed, and at stated intervals he pays the bills which the postmaster renders. By this method, therefore, the publisher is saved the trouble of affixing a postage stamp to each paper, and the

postal employes are saved the labor of cancelling the stamps and of assorting the papers.

The saving of the trouble to publishers of affixing stamps is very great. But it would be absurd to put them to that trouble, when it is so much more economical, not only for them but for the Department, to collect the postage in lump sums. So far, then, the "second class" method is an improvement in postal facilities which is as advantageous to the government as to the publishers. There is nothing here that can fairly be considered a privilege, nor any saving to publishers which can fairly be called a "subsidy".

The same thing may be said of the rule requiring periodical publishers to assort their papers according to destination. In fact, this rule tells only in favor of the government, so far as financial considerations go. The assorting by the publishers, while adding to the expense of publication, diminishes the expense of postal handling. There is, indeed, a benefit to publishers and their patrons, since periodicals can be more speedily delivered by the post office; but inasmuch as this "routing" by the publishers effects a financial saving to the Department, and causes an increase of expense to publishers, the assorting feature must be classified as a postal economy and not as a privilege or "subsidy".

Both these devices—mailing without stamps and "bagging" with reference to destination—are postal improvements which ought to be retained in the handling of periodical publications, and which can be retained without reference to the present feature of the "second class" mailing law which is with approximate accuracy described as a "subsidy".

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The "subsidy" consists in allowing periodical publishers to mail their products at a postage rate of one cent a pound. This is said to involve an annual loss to the government of about \$30,000,000. The accuracy of that estimate may well be doubted; but as there doubtless is a loss, the estimate may be disregarded for our present purpose. Because a loss results from the "second class" mail service the reduction of the rate to a cent a pound is called a "subsidy", and the Post Office Department is accordingly strenuous in limiting it to such publications as it holds to be within the intention of Congress to subsidize.

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It is here that a greater evil than financial loss to the government springs out of the "second

class" system. For no periodical can secure any of the advantages of that system without being first admitted by the Postmaster General to its privileges. His powers in this connection are practically autocratic. He can deny those privileges to any paper he wishes to, and there is no recourse. He can withdraw the privileges from any paper that offends him, and there is no redress. So long as the Postmaster General has the power of admission and exclusion, he can give the "subsidy" to whom he chooses and take it away whenever he pleases. This autocratic power he is actually exercising. By rules of his Department, so drawn that only the bureau that formulates them can interpret them, and so applied that no publisher can secure an official interpretation in advance, the business of publishing periodicals is placed continually at the mercy of the good will or the good conscience of the head of the Post Office Department.

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At last this irresponsible and dangerous supervisory power over the American press has begun to arouse the newspapers of the country. In one of their protesting circulars, they are saying that the head of the Department bureau, in a recent bureau circular, "describes practically every method of obtaining, retaining and extending circulation in vogue among publishers for the past fifty years and prohibits every one of them, under penalty of exclusion from the mails at the pound rate or free in the county." This publishers' circular adds that "he disavows any purpose to interfere with the business methods of publishers, except 'when the character of a publication or its circulation, as affecting its second-class privilege, is directly in issue'; but when a man objects to all the customs of the newspaper business and claims that they affect its second-class privilege, and has and uses the power to throw a publication out of the mails because its methods do not please him, and actually throws out 1,442 publications in one year because of such methods, his instructions to postmasters not to meddle with a publisher's business methods except for that reason do not relieve the publisher's mind very much." The same protesting circular proceeds: "By using the words 'and others,' 'and otherwise,' etc., Mr. Madden makes his regulations so elastic that he can take jurisdiction in any case that arises; and his regulations are so vague and general and give the inspector, postmaster, or the third assistant postmaster general himself, so much latitude that he can decide

one case one way and another another on the same facts. The record shows that he does not treat all publishers alike."

This is a strong indictment but a true one. And the worst is yet to come, for there is no protection against this favoritism in the courts. On that point the publishers' circular says that the head of the bureau, "has gone into the courts of the District of Columbia to contend for the right to do these things and decide your case and all others without right of appeal to the courts. If he throws your paper out of the mails, you have to go to the courts of the District of Columbia for relief (you cannot sue in the Federal courts of your own State.) And the Supreme Court of the District of Columbia has decided that the publisher has no right of appeal. The third assistant postmaster general insists in the courts that postal privileges 'are not subject to the rule of equality' and are not of that class of rights which may not be taken away without due process of law."

All this characterization of the attitude of the Department is true; and being true, it discloses a censorship over the press of the most despotic character.

The Department having asserted that "second class" accommodations carry a financial "subsidy", and that the regulation and control of this subsidy has been placed absolutely and without appeal within the jurisdiction of the Post Office Department, and having in this contention been sustained by the courts, it follows that the Postmaster General may subsidize the papers he likes and deny the subsidy to those he does not like, and that the publishers discriminated against have no recourse but to compete without the subsidy against their subsidized rivals. The iniquity of such a state of affairs in a country which professes to maintain freedom of the press is too obvious for extended discussion. If the Postmaster General can give postal subsidies in his own discretion to some periodicals while denying them to others of like postal character, he can in great measure constitute himself an arbitrary censor of the press.

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But the remedy for this dangerous power is not what the organized publishers are seeking. They seem oblivious to the fact that subsidizing, no matter how guarded, is certain to generate the very evils which they protest against. The only effective remedy is the fair remedy; namely, that there shall be no subsidy at all.

Every postal evil arising from Department regulations and decisions in this connection is due to the attempt of Congress to discriminate in mail matter with reference to "subsidies" or financial concessions dependent upon other than postal considerations. Whether a periodical is a magazine, or a weekly review, or a daily newspaper, really makes no difference to the post office. The difficulties of handling are precisely the same whether it is published for educational, charitable, religious, political, literary, or sporting purposes, and whether for love or for profit, and whether it carries advertisements or not. With its purpose and literary contents, the post office is not concerned; with the difficulties of transmission and delivery, the post office is concerned. If discriminations were made on the basis of difficulties of handling, favoritism without detection and redress would be practically impossible. But if discriminations may be made on the basis of literary character or business motive, the door for discrimination is thrown wide open, and the danger of corruption and censorship are multiplied.

The beneficial adjustment, therefore, as well as the fair and honest one, is to distinguish second class mail matter on the basis of its adaptability to cheap transmission and delivery, and upon that basis alone. As periodicity is an element of economy in transmission and delivery, periodicity should be a requisite. The absence of stamps and the necessity for cancellation are other economical elements; therefore these considerations should apply. Still more important, economically, is the fact that the publisher does most of the work of "routing," by assorting his papers into bags according to destination; this also should be a requisite. There may be other elements of economy which are peculiar to periodicals; if so they should be considered in defining "second class" matter.

But upon such considerations as these, and only such, should the postage for periodicals be based. Any reductions of postage would then be allowances to which publishers would be entitled as justly their own. They would no longer be a subsidy for distribution among Departmental favorites. This would be honest; whereas the subsidy, no matter how administered, is not honest.

As Senator Bailey said in his speech in the Senate on the 29th of May:

We have grown into the habit of feeling that if the government performs a service for us at a loss or for less than we can obtain that same service from some other source we have gained that much; and

perhaps the man for whom the particular service is performed does gain that much. But whatever he gains somebody else must lose. It is trite—so trite as almost to offend the Senate—when I repeat that the government has no money with which to perform these services at a loss, and whatever the government does somebody must pay for the doing of. Either the person for whom it is done or the taxpayer for whom it is not done must bear the expense.

A readjustment of the "second class" system upon the basis of cost, would doubtless necessitate an increase of the present cent-a-pound rate. But do periodical publishers or their readers really desire a subsidy? Do they really want to get something for nothing? Let us not believe it until they tell us so in unmistakable language.

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An inevitable result of putting periodical postage upon the basis of cost would be a speedy reduction of cost. For the great leak in the Post Office Department now is not the necessary cost of transmitting and delivering "second class" matter; it is the railroad "graft", which is unfairly charged to the "second class" system. This "graft" is now under the protection of "subsidized" newspapers. Withdraw their subsidy, place periodical postage on the basis of cost, divest the Post Office Department of its irresponsible powers of discrimination, and the great newspapers and magazines would no longer be silent about the postal "graft" of the railroads.

All subsidies are demoralizing as well as oppressive, and the postal subsidy to periodicals is no exception. There are no fair grounds on which it can be defended. It should be abolished. All periodicals should be placed upon an equality as to the postal service, and the basis of this equality should be postal in character and not censorial either in effect or possibility.

EDITORIAL CORRESPONDENCE

ENGLAND.

Chester, June 2.—Yesterday afternoon we went three and a half miles up the Dee, in a little open steamer, to Eaton Hall, one of the houses of the Duke of Westminster. After a walk through the glorious park I stood in front of the so-called Golden Gates, and looked at the splendid mansion, stretching its magnificent front perhaps a hundred yards, with a chapel and its noble clock-tower at the far end. The chimes of 28 bells rang as I stood there at four. Behind me, away from the gate stretched as far as the eye could see a broad avenue bounded by the ancient oaks and beeches of the park. In front, between the gate and the Hall, stands a very striking equestrian statue, by G. F. Watts, of Hugh

Lupus, nephew of William the Conqueror, to whom that arch-thief gave immense holdings in this region. It is well that Hugh the Wolf is there—a fitting type of the whole predatory breed. "Inherited Robbery" could be written across all the gates to Eaton Hall, and yet the legend of the Duke's Arms reads, "Virtus non stemma," virtue not pedigree.

Walking up from the river on my return, I fell in with a workingman and asked him to have a glass with me. We went into a small room, about five by ten, with heavy old benches around the walls, and touched a bell. The bar proper, in a room about the same size, was across a narrow entry, and from behind the bar came a tidy young girl to take our order of scotch, costing 4d for the two. The drinks are brought measured in two glasses, and a jug of water already stands on the table. Each of us had our pipes, which I filled with Virginia tobacco, and in this way I was able to hold my companion for a good talk. He was not a regular drinker, and indeed one sees no evidence of excessive drinking here. But of course there is more here, as everywhere, than there ought to be. "It's the misery," my friend said, "that mostly drives to drink." And so we discussed the vicious circle of misery and drink, drink and misery. I wish I might have taken down his whole conversation and his manner of speech. He was born in Chester, and has always lived here, has a brother somewhere in the States, he did not know where. I told him where we had just been, and how magnificent it all was. "They do say, sir," he said, "that the Duke has 164,000 acres, besides his rents in London." And then, after a little leading, he asked, "Don't you think, sir, it's a shame and a wrong, sir, for one man to have so much land? Why, sir, you can drive seven mile one way and five mile the other without coming off his land. But, sir, what's the use of talking about it." I reminded him that many were beginning to think that there was a good deal of use in talking about it. But he shook his head, saying, "Not in my day, nor yours, sir." He was a cab driver, made 15s a week, not counting uncertain tips, and paid 6s a week for "rent and coals." He had voted the Conservative ticket until the last election, when he gave his vote for the Liberal candidates. Chester itself was Conservative until the recent landslide for the Liberals.

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I went to the early service in Chester Cathedral yesterday morning, and made one of the congregation of seven. There were three American ladies present who came over in the steamer with me, so that Chester was represented by three other ladies, one of whom wore the garb of some sisterhood. Two clergymen officiated and went through the whole service, reading both the lessons, and omitting nothing. The cathedral is most interesting, rich in relics and carvings, especially the wood-carving of the choir. Parts of the cloisters are literally mouldered away. The baptismal font is said to date back to the 6th century. But all these things can be found in the guide-books and encyclopedias. Some of the ancient mural tablets are amusing; one of them closes with this pious injunction, "Readers, he has left a chasm which if you are possessed of ample means you would do well to occupy."