immediate object the settlement of a railroad war between the Morgan-Hill and the Harriman-Rockefeller interests. The "holding" corporation was empowered to purchase the stock of other corporations. Believing that this move would result in destroying the railway competition which the laws of Minnesota design to perpetuate, by consolidating in one control such competing lines as the Northern, the Burlington and the Northern Pacific, Gov. Van Sant, of Minnesota, took steps (vol. iv., pp. 534,617), to prevent the consummation of that purpose. Application was in consequence made to the Supreme Court of the United States, in behalf of the State of Minnesota (vol iv. p. 634), for leave to proceed against the New Jersey company by original process from that court. The application was argued on the 27th of January, 1902, (vol iv. p. 681); it was denied on the 24th of the following February (vol iv., pp. 739, 746), on the ground that all parties in interest could not be made parties without depriving the court of jurisdiction. A similar application was afterwards made by the State of Washington, there being some technical difference; and the State of Minnesota began suit in her own courts (vol. v., p. 27). The Washington case was set for hearing, and the Minnesota case was removed by the merger people to the Federal court (vol. v., pp. 42, 346); but nothing appears to have come of either. Meanwhile, however, the Federal government began suit under the Sherman anti-trust law. The suit was begun in the Federal court in Minnsota (vol. iv., p. 746) against the Northern Securities company, the Great Northern railway company, the Northern Pacific railway company, James J. Hill, William P. Clough, D. Willis James, John S. Kennedy, J. Pierpont Morgan, Robert Bacon, Geo. F. Baker and Daniel Lamont. The Federal Court in Minnesota decided this suit last April (vol vi., p. 22) in favor of the government, holding that the stock of the Northern Pacific and of the Great Northern railway companies, held by the Northern Securities company, had been "acquired in virtue of a combination among the defendants in restraint of trade and commerce among the several States" and in violation of the Sherman law. An injunction was accordingly granted. From that decree an appeal was taken (p. 41), and it is this appeal that the Supreme Court of the United States decided on the 14th.

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The decision of the Supreme Court was made by a divided bench—5 judges to 4. The minority judges voted for reversal. They were Fuller, White, Peckham and Holmes. The majority voted for affirmance of the decision of the lower court. They were Harlan, who delivered the opinion, and Brown, Brewer, Day and McKenna. Accordingly the decision of the lower court was sustained and the Northern Securities company is finally adjudged to be an illegal trust within the terms of the Sherman anti-trust law.

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The essential point of the decision is briefly expressed as follows by Justice Harlan in the opinion of the court:

> The government . . . does not contend that Congress may control the mere ownership of stock in a State corporation engaged in interstate commarce. It does not contend that Congress can control the organization or mere ownership of State corporations, authorized by their charters to engage in interstate and international commerce. But it does contend that Congress may protect the freedom of interstate commerce by any means that are appropriate and that are lawful and not prohibited by the Constitution. It does contend that no State corporation can stand in the way of the enforcement of the national will, legally expressed. What the government particularly complains of, indeed, all that it complains of here, is the existence of a combination among the stockholders of competing railroad companies which, in violation of the act of Congress, restrains interstate commerce through the agency of a common corporate trustee designated to act for both companies in repressing free competition between them.

It is this that the court forbids, doing so upon the long established Constitutional principle that "the power over commerce with foreign nations and among the several States is vested in Congress as absolutely as it would be in any government having in its constitution the same restrictions on the exercise of power as are found in the Constitution of the United States." Applying that principle to the case in hand, Justice Harlan says:

> Is there, then, any escape from the conclusion that, subject to such limitations, the power of Congress over interstate and international commerce, is as full and complete as is the power of any State over its domestic commerce? If a State may strike down combinations that restrain its domestic commerce by destroying free competition among those engaged in such commerce, what power, except that of Congress, is competent to protect the freedom of interstate and international commerce when assailed by a combination that restrains such commerce by stifling competition among those engaged in it?

The dissenting judges did not controvert the position of the majority on the law in the abstract. They were of the opinion that the concentration in a "holding" company of the stock of competing railway companies doing an interstate business does not amount to restraint of inter-state commerce such as Congress has the power to prohibit.

In American politics the most interesting fact of the week, and one not without marked significance with reference to the approaching Presidential campaign, is the action of the Democratic convention of Rhode Island. This body, which met at Providence on the 10th, endorsed William Randolph Hearst for President. Six of the eight delegates chosen were Hearst men, and the whole delegation was instructed for him. Gov. Garvin has taken no part in the contest, which was bitterly fought, his position being that the national platform or declaration of principles, is the chief concern of Democrats who desire success this year, and that the right man will be found to lead the party to victory if the platform be good.

Mayor Johnson, of Cleveland, has renewed his 3-cent street car fight (p. 679) in a manner which will probably throw the whole burden of responsibility for opposing it upon the overwhelming Republican majority in the State legislature. In a formal address to the city council of Cleveland on the 14th he described the situation at length, especially with reference to the many court injunctions he has encountered, based upon the claim that the legislature has not conferred upon the munic-

ipalities of the State of Ohio the power to regulate street-car fares; and, referring to a proposed legislative bill accompanying his address, he recommended that the city council.—

by resolution or otherwise, request the members of the General Assembly representing the county of Cuyahoga, to present this bill and press for its enactment. That the matter may properly come to the attention of the General Assembly, it would seem wise that some memorial be prepared by the council to accompany the bill, and that a copy of it be presented to each member of the Cuyahoga delegation, and copies likewise to the Governor of the State, President of the Senate, Speaker of the House of Representatives and to the Chamber of Commerce and the United Trade and Labor Council of the City of Cleveland, with a request that they examine the proposed measure and express their opinion upon it to the members of the General Assembly from this county.

Of this new move on Mayor Johnson's part the Cleveland Plain Dealer, in describing it says:

In view of statements hitherto made by the Mayor in regard to contemplated action by the legislature, it is hardly probable that he has serious hope that that body will heed the request of the Council of Cleveland. If, however, the legislature should act as is desired, it would provide a most speedy termination for the agitation of three years towards the goal of lower fares. Balked by injunction and every possible device of litigation at home, checks made possible by the existing street railway laws of the State, Mayor Johnson, should he obtain the petitioned aid from his political enemies at Columbus, could, with the concurrence of a friendly city council, in three weeks' time reduce the fare on every railroad in the city of Cleveland to the desired 3 cents. And, under the provisions of the amendment which he has proposed, the railroads would have no redress in the usual procrastination of litigation. To throw directly upon the legislators, with their mammoth Republican majority, the onus of providing 3-cent fare for Cleveland, will remove for a time the storm center of the low fare fight to Columbus.

The city council immediately referred an appropriate resolution to a committee.

The crisis in British politics (pp. 729, 758) approaches more and more obviously. On the 9th the Balfour ministry came to the verge of defeat, its majority being reduced to 46. A Liberal, Mr. Pirie, had moved that the House, "noting the continued agitation in favor of protective or preferential tariffs, which is encouraged by the language used by certain of His Majesty's ministers, deem it necessary to express its condemnation of any such policy." After three hours of debate, in which the Premier participated in opposition to this motion, the motion was defeated by a ministerial majority of only 46. The result came very near being absolutely disastrous. A ministerial member had moved an amendment "approving the ministerial declarations of the fiscal policy, as including neither a general system of protection nor preference based on the taxation of food," whereupon over 100 of Chamberlain's followers notified the ministerial leaders that unless this amendment were withdrawn they would abstain from voting on the Pirie motion. As that would have left the ministry in the minority, the amendment was withdrawn. And yet the ministerial majority was only 46.

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Within a week thereafter the ministry was actually defeated. John Redmond, the Irish leader, moved on the 15th for a reduction of the Irish education estimates by $2,500. He did so for the purpose of calling attention to grievances in connection with the Irish schools. The ministry opposed the motion and was defeated by a vote of 141 to 130. As the small vote suggests, this was really no test of ministerial strength. The vote was taken immediately upon the making of the motion, when the attendance was slight, and it was soon after changed to a ministerial majority of 25, on another and more vital point. Notwithstanding that, however, the circumstances are regarded as indicative of a steady weakening of ministerial power.

Again a single tax measure for British municipalities has come before the Commons, making a further gain. This measure would enable municipalities to levy site value taxes for local purposes. It is what would be known in this country as a measure for local option in taxation. The measure was first voted on in Parliament on the 19th of February, 1902, (vol iv. p. 754), upon a motion that it pass the second reading. After a strikingly radical line of debate, both for the measure and in opposition, its second reading was defeated by a vote of 158 to 229, a majority against the measure of 71. About a year later, March 27, 1903 (vol. v., p. 82; vol. vi., p. 72), the measure was again voted on in the Commons on second reading and again defeated. But at that time the adverse majority was only 13. Under the description of "the land values and rating bill," the measure came before the Commons for the third time, on the 12th of the present month, and again the question was on the passage of the stage of second reading. The vote stood 223 for and 156 against—a majority of 67 for the measure. The bill now goes to third reading. If it passes that stage it will go into the House of Lords to challenge the great landed interests represented there.

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This vote in Parliament is not a haphazard thing. It has come as the result of long agitaion, and is probably due most immediately to a formal address by the corporation of the City of Glasgow to the other rating (local taxing) bodies of Great Britain, issued December 28, 1903, and attested by the town clerk of Glasgow. This address makes several requests relative to the parliamentary matter in question, the principal one of which closes the following extract:

The question of the taxation of land values has been before this Corporation for several years. On 21st October, 1902, they convened a conference in the Hotel Metropole, London, which was attended by representatives of over 100 rating authorities, when the following resolutions were adopted, viz.:—

(1) That this Conference of representatives of municipal and other rating authorities approves of the principle of the taxation of land values for local purposes as being just and equitable.

(2) That this Conference of representatives of municipal and other rating authorities cordially thanks the Corporation of Glasgow for their recommendations regarding the taxation of land values for local purposes, and pledges itself to support by every competent means, and at the earliest possible moment, with a view to its becoming law, any equitable and just measure giving effect to the foregoing resolution.

At that conference a committee, consisting of representatives of twenty-five rating authorities, was appointed, and that committee have had several meetings. A second Conference was held in the Westminster Palace Hotel, London, on 9th instant. The accompanying pamphlet contains a full report of the proceedings to date.

I am instructed to ask you to be good enough to submit this communication, with the pamphlet before referred to, to