

ticipate in a moot court proceeding from which they could gain no advantage if the decision were in their favor; but they had not refused to confer. The fact of a conference, therefore, indicated no recession on their part.

What object either the city or the receivers and those they represent could gain from a non-judicial decision by Judge Grosscup is not altogether clear. At best it would be only the opinion of a lawyer of judicial experience, and several other such opinions are already afloat. Judge Grosscup himself might be obliged to reverse it when the matter came before him judicially. To the city, therefore, his non-judicial opinion, if in its favor, would not be worth the paper it might be written on; the receivers wouldn't dare to surrender claims held to be invalid only by a judge off the bench. To the receivers, on the other hand, if the decision were in favor of the 99-year claim, it would count for nothing, since that is the attitude they are in safety bound to maintain until the validity of the 99-year act is judicially passed upon. Apparently no one in the universe could be benefitted by Judge Grosscup's non-judicial decision, rendered under such circumstances, unless it were some of Mr. Yerkes's "widows and orphans." A decision in support of the 99-year act, though absolutely non-judicial, yet if made by a sitting judge, might be used to affect the stock market and so enable these "widows and orphans" to "unload" upon other "widows and orphans" in whose prosperity they were less interested. While it is unthinkable that Judge Grosscup should be a party to such a purpose, and no one imagines it, yet it is quite conceivable that certain investors and financiers would gladly utilize the incident as a fortunate opportunity. At any rate the city was evidently wise in declining to submit its rights to an informal tribunal which would place it in an awkward position if it lost and from which it could gain nothing if it won.

While the interests of the West Side and the North Side systems are thus in the Federal Court under a receivership, those of the South Side are in course of negotiation between the city and the Chicago City Railway Company, the only one of the original three companies affected by

the 99-year act which has not experienced the process of yerkesization.

It is understood that this company is willing to waive its 99-year claims in consideration of a 20-year franchise upon certain probably acceptable terms. (p. 170).

IV.

As matters stand at present, the representatives of the city are willing to extend all the expiring franchises until 1923, upon the terms embodied in sections 15, 16 and 17 (p. 170) of a franchise ordinance now in preparation. These sections were drafted by Edwin Burritt Smith and John C. Mathis, special counsel to the city council, as the result of negotiations with the Chicago City Railway Co., the owner of the South Side lines affected by the 99-year act.

They contemplate a 20-year franchise. At its expiration the city would have the right to purchase, or to cause a new corporation to purchase, the tangible property of the company at its then cash value exclusive of franchise value and of all considerations of earning power. But notice of intention to exercise this right would have to be given by the city between the last day of the 18th year and the first day of the 20th year of the life of the new franchise; and upon failure of the city so to exercise its right of purchase the city would be obliged to grant a new franchise upon terms then to be agreed upon. In consideration thereof the company would surrender its 99-year claims.

The special counsel warn the city, however, that if the city should fail to give the notice and purchase the tangible property, or cause it to be purchased, and should also refuse or fail to make a new franchise, all claims under the 99-year act would revive with the same force as if they had never been surrendered.

Standing upon this proposition the city representatives (not including Mayor Harrison, however, for he has expressed his opposition to the surrender of the 99-year claims conditionally), insist that—

1. The companies are now so various and the interests so conflicting and complex that there must be a reorganization of all their interests in one new company, so that the city may have some complete responsible legal person to deal with.

2. A franchise is necessary for two reasons: (a) local public sentiment would not tolerate the peremptory

and unconditional freezing out of financial investments made under circumstances for which the city as well as the investors is in part to blame; and (b) there would be a harassing litigation for eight or ten years, during which the street car service might be so bad that there would be great danger of the development of an unreasoning public sentiment in favor of any kind of compromise through which good service might be had, and that in these circumstances a complete revolution of opinion against public ownership might occur.

3. Nevertheless, if the companies refuse a fair readjustment, falling back upon such technical rights as they may have under the 99-year act, thus clearly relieving the city of the odium in the public mind of unwillingness to be fair, and assuming that odium themselves, then the city also should stubbornly stand upon its technical rights and let the war go on.

EDITORIAL CORRESPONDENCE.

Freiburg, Baden, Germany, June 15.—John Quincy Adams was an ardent and persistent upholder of republicanism. Educated at his father's house in Paris at the time when the great wave of revolution was gathering that irresistible force which was soon to sweep over continental Europe, he early learned to love republics and to hate monarchies. On his return to the United States he became a fit exponent of the spirit that prevailed in the young American republic. As secretary of state in Monroe's cabinet he saw the danger that threatened the weak South American countries, and the Monroe Doctrine was to him and to the American people a cry of defiance to the kings of the old world. America was and should remain free.

Since then nearly a century of industrial development has passed and the resources that seemed almost limitless have been used, or at least appropriated by corporations or private persons for speculative purposes. Thus American capital, compelled to seek an outlet, has not only entered into competition for European markets, but has forced upon the people a colonial policy, which, by occupying the Philippines, violates the tacitly understood converse of the Monroe doctrine, that the Americans remain in America. This same commercial activity has developed an important interpretation of the Monroe Doctrine that was undreamed of by its formu-

lator. It is no longer a contest between the republican and the monarchic principles, but an industrial fight of nations; and in this war South America has come to be regarded by the capitalists of the United States as a specially preserved territory for their exertions, fenced around and protected by the Monroe Doctrine. The constant maintenance of this point of view will bring the United States sooner or later into conflict with the German Empire, which, under the leadership of its vigorous emperor, is after a suitable field to carry out a great colonial policy.

In support of this view the following observations of an American student who has been at German universities during the past two years, where his opportunities to observe the trend of official sentiment have been exceptional, are of special value to Americans:

For some years back the talk in high circles, both intellectual and political, has been over the absolute necessity of German colonies. The professors of political economy have explained from their chairs in the several government universities that if Germany is ever to make a fourth to the great trio of world powers, England, Russia and the United States, she must possess important colonies to which the surplus population can be sent and from which can be imported those articles which the Fatherland is unable itself to produce.

But the question loomed up in what portion of the world can these colonies be located? Asia with the exception of India belongs by common consent to Russia. On Africa the claws of the British lion are fixed too deep to be eradicated. All that can be expected in these quarters are but remnants from the feast. There remained to be considered but South America, a land with all variations of climate, rich in forests and natural resources, drained by noble rivers and peopled by a race weak and comparatively inferior. But around this promised land, this future Greater Germany and companion picture to India and Siberia, stretched—as barriers—the Monroe Doctrine and the fleet of the great American Republic.

The first impulse at the court of Berlin was to laugh at this principle and to act as if it did not exist. Professor Jellinek, a creature of the administration and professor of international law at the University of Heidelberg, a man of wonderful plausibility and some eloquence, spontaneously began to give a series of lectures, proving that the Monroe Doctrine had never been recognized by the European powers, and that even if it had been the recent operations of the

United States in the Philippines had robbed the document of all force. But while these lectures were in the process of delivery, the Emperor was informed by one who understood from personal observation the conditions in America, that recognized or unrecognized the Monroe Doctrine was an abiding article in the faith of the people of the United States.

The move that then remained was to try diplomacy. William the Second, although a blunderer himself in the field of politics, whatever his attainments may be in art and music, has a brother, Prince Henry, who has inherited all the delicate skill for which the house of Coburg, the family of his mother, is famous. Graceful, smooth and fine, a rival even of his uncle, the King of England, in the art of conversation, he had already been often used on difficult and important missions. The launching of the new imperial yacht offered the opportunity and Prince Henry was chosen as the man best fitted to seize it.

The instructions with which he was charged were twofold: First, to create in America a favorable impression towards Germany; and, second, to come to such an understanding with the President as would insure Roosevelt's silence if any attempt was made to encroach on South American territory. The success of this undertaking was considered as assured, both from the German estimate of the character of Roosevelt and the false impression then commonly prevailing in Europe as to the tenacity with which Americans would support the Monroe Doctrine. The most extravagant reports were circulated through the inner circles of Berlin about the eagerness and rapidity with which America was adopting the manners of an empire. News from the Philippines was gloated over as affording fresh evidence that the annoying Monroe Doctrine, with the Americans invading Asia, could not stand in the way of establishing the required colonies in the only available place, South America.

The report that Prince Henry made was satisfactory beyond the most optimistic expectations. The Republic's reception of him had been more enthusiastic than even the most conservative of European monarchies might have afforded. The President had been flattered and flattering. Gifts and jewels had been exchanged, and the youthful daughter of Roosevelt had promised to return the visit in the name of the nation, at the earliest possible date. So it was with the utmost confidence that the word was now passed through both diplomatic and military as well as court circles that things could go ahead. So sure was the administration of the ultimate success, that colonial schools were enlarged and their equipment increased.

The disapproval with which the gift of the statue of Frederick the Great was met with in some quarters caused a slight cloud to appear on the horizon, but this was quickly dispelled when it was explained in the high places that those who had objected were only socialists, anarchists and similar uneasy characters.

Such was the state of the official mind at Berlin when the internal condition of affairs in Venezuela offered an excuse to the German foreign office to interfere. The uncollected claims of the German citizens were a serviceable pretext. The real object was to obtain a foothold in Venezuela similar to the position occupied by England in Egypt. "Land we must have" was not only said in the secret councils, but openly in the universities. The official attitude of America at this time was not encouraging. The President, as had been expected, was silent. Secretary Hay entered no protest to the peaceful blockade and bombardment of South American ports. And not only did the American administration offer no objection, but it went even further in its aid of the German colonization programme. The inspired journals, notably "The Washington Star," began to publish articles about "The Robber Castro," "The Unbearable Acts of the Venezuelan Government" and similar stuff known to have been inspired by persons in connection with the Washington government.

Then came the surprise, both to the powers in Washington and Berlin. The people of the United States, the common people, who had not been consulted in the original agreement, objected, and made their protests known. Roosevelt, who had his finger on the public pulse (feeling his chances for reelection) at once perceived which way political safety lay. The rapid "about face" would have been comical if it had not been tragic in its results here in Germany. The changed tone of "The Washington Star," with its caricatures now of the allied powers, was not more vivid than the gloom that pervaded the foreign office at Berlin. To say that William the Second was dumbfounded by Roosevelt's refusal to act as arbitrator, which would have been regarded as equivalent to a decision in favor of Germany, is putting the situation mildly. He was storming mad, and the Emperor's temper is no light matter. Some sort of a scapegoat had to be provided. It required all the personal tact which Prince Henry could command to escape filling this distinguished but unpleasant office himself; but the lot fell on the unlucky Ambassador v. Holleben, in Washington, who was immediately taken sick and ordered home to recover.

Further in confirmation of the foregoing view of German official senti-

ment, note the following extract from the Freiburger Tageblatt of May 16:

If Mr. Roosevelt is not reelected, the envious and ill-willed opposition of the United States against Germany will come to the front more unveiled than is at present the case, thanks to the well-meant efforts of the President.
EDWARD RUMELY.

NEWS

Week ending Thursday, July 2.

The new King of Servia, Peter I. (p. 180), took the oath of office on the 25th, and on the same day received and accepted the resignations of the provisional ministry. These formalities over, the King requested the late provisional premier, Avakumovics, to form a ministry; and upon the recommendation of Avakumovics, he appointed the ministers who had just resigned. Another ceremonial of the day was the King's proclamation to the people and his announcement to the European sovereigns of his accession. In his proclamation to the people he promised to remain a true constitutional sovereign.

Another vote has been taken in the British parliament upon the proposal of the protectionists to strike from the ministerial budget the clause repealing the war tax on grain (p. 152), Mr. Chaplin having made the motion in committee of the whole on the 27th. His motion was defeated by 416 to 32. In opposing this motion the chancellor of the exchequer, Mr. Ritchie, took uncompromising free trade ground. He explained, moreover, that this tax falls with greatest severity upon the poorest of the poor; and, arguing that it could be justified only by the necessities of war, stated that its repeal had been agreed upon by the ministry unanimously.

The German parliamentary elections (p. 184) are over, the reballotings having taken place on the 25th and 29th. Reballoting is a peculiarity of the continental elections. They both serve the necessities of many parties as well as encourage their organization. If in any district no candidate receives a majority over all, a reballoting is ordered at which only the two candidates who received the highest and the

next highest vote at the first balloting can be voted for. This operates to make the first balloting a primary vote unless a clear majority of the people support a particular person. At the German reballoting on the 25th all parties united to defeat the Socialist candidates. The effect of this opposition was manifest in the result; but the Socialists nevertheless elected 27, making a total Socialist representation of 81. The city of Munich has for the first time a solid Socialist representation, while the kingdom of Saxony is all Socialist but one, who is Anti-Semite. Following is the reported final result:

Conservatives	52
Free Conservatives	19
Centrists or Clericals.....	102
Socialists	81
National Liberals	51
Poles	16
Agrarians and Peasants' League.	7
Alsatians	9
Hanoverians	3
Danes	1
Anti-Semites	9
Richter Radicals	21
Barth Radicals	9
South German Radicals	6
Independents	11

Most of the Socialist gains in representation (from 51 to 81) appear to have been at the expense of the other radical parties. The Socialist leaders are reported from Berlin as attributing their gains principally to the tariff issue, they having made the campaign chiefly thereon. Details of the election returns are reported to confirm their claim that Socialism is spreading rapidly among the agricultural laborers and small farmers, and the organs of conservative opinion comment on the election as foreshadowing serious times for Germany.

In connection with the movements in Somaliland, northeast Africa, of British troops against the "Mad Mullah," the report (p. 155) that there are several British prisoners in the Mullah's camp has been denied by the British war office upon the strength of a message from Gen. Manning. Upon the same authority a subsequent report of a disaster to the British forces is also denied. It is stated, on the contrary, that the "Mad Mullah" suffered a disaster in a battle with Abyssinians near Jeyd on the 31st of May; and that an early junction of Abyssinian and British forces was expected to be followed by

a cooperative pursuit of the Mullah and the destruction of his army.

The process of South African rehabilitation by the British was marked in the latter part of May by a municipal congress held at Johannesburg and called by the Johannesburg town council for the purpose of revising the draft of a proposed Government ordinance for the regulation of municipalities in the Transvaal. The congress appears to have been an important one; and its most important act, in the estimation of the Johannesburg Tribune, was the adoption of an amendment proposed by one of the delegates, Mr. Niven. Of this amendment the Tribune of May 23 says:

It cannot have been with great hopes of success that Mr. Mackie Niven, the able exponent of the exemption of improvements from taxation, moved that the rating provisions of the municipal ordinance should be amended to make land values alone taxable. The proposition was a novel one to many of the delegates, the time for argument was short, and there was a natural disinclination to sanction such a radical reform. Nevertheless the amendment was carried by 15 votes to 13.

Along the same lines of fiscal reform the Ohio Single Tax League is preparing to make a campaign during the present Summer and the coming Fall, for the support of which it is calling for a national subscription. At the seventh annual conference of this league, held at Columbus on the 30th and 31st of May last, the following resolutions, upon which the projected campaign is based, were adopted:

Whereas, the tax laws of Ohio, bearing most heavily as they do upon personal property and improvements, which are the product of labor, and exempting as they almost entirely do, monopoly and special privileges, which are created by the States, are a direct means of promoting fraud and corruption, and a constant discouragement to industry and thrift, and are, therefore, unscientific and unjust; and, whereas, they promote fraud and corruption, not only by taxing property that nature has made it impossible to reach, but by permitting such public values as street and steam railway franchises to remain untaxed; therefore, resolved, that until the repeal of these laws can be brought about, these special privileges should be taxed on the same basis as the farms, stores, houses,