

would have paid every dollar of its alleged "debt," funded or unfunded, leaving many thousands of cash in hand. The dividends pocketed by the stockholders the five years ending September 30th, 1875, were more than 24 millions in excess of the "debt" outstanding September 30th, 1870.

In the same five years the alleged "debt" increased many millions. Total increase 1870 to June 30, 1909, about \$260,000,000. In these 39 years the total revenue, the income from all sources, was \$700,000,000 in excess of operating expenses (excluding taxes and rentals for leased lines)—more than \$49,300 for every twenty-four hours between October 31, 1869, and July 1, 1909.

And so the process of creating public debts for private profit goes on. Millions are reported to have been set aside to redeem "4% Gold Debentures," but the "bonded debt," so called, the debt on which the people and not the stockholders pay the interest, continues to increase as the traffic and the profits increase. The "bonded debt" of the New York Central and Hudson River Railroad Company September 30, 1870, was equal to \$3.12 for each inhabitant of the State of New York. It has since been increased to about \$31.

Now note the increased profits. Deducting operating expenses (taxes and rental of leased lines not included) for the ten years ending June 30, 1909, from the total income from all sources, and dividing the remainder by 3,652, the number of days, we find the income during those ten years to exceed the operating expenses by a daily average of \$85,690.78.

Notwithstanding these figures, calculated from official reports, the president of this corporation declared to a body of presumably intelligent men who had met in Chicago to protest against a considerable advance of freight rates—still more millions of profit for the benefit of "the investing public"—that the margin of income over expenses on the Central lines was so narrow that they "have barely earned interest on their bonds"; and that a growing and well-founded conviction prevailed that the permanent payment of interest on railway bonds, to say nothing of a fair return upon the money invested by shareholders, "was extremely uncertain." And in very plain language he informed those gentlemen that an increase of railway profit was inevitable, and to be secured at any or all cost—even the risk of precipitating a conflict between organized capital and organized labor of unprecedented violence, "a struggle" that would cost the business interests of the country "one hundred times one hundred millions." In conclusion he said: "I doubt,

Mr. President, if the importance of this meeting and the great significance of the result of the deliberations of this gathering of representatives of the great commercial and manufacturing interests of the country is *even faintly appreciated by any of us.*" In this remark he was quite correct, as you will see if you read the second, third and fourth paragraphs of this editorial over again attentively.

LEVI STEVENS LEWIS.

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## EDITORIAL CORRESPONDENCE

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### THE VICTORY IN CALIFORNIA.

San Diego, California.

For a couple of generations the Southern Pacific and San Francisco politicians had dominated the State, even to the appointment of dog-catchers, using either political party as best suited their purpose. That they abused their power is notorious. The Common People were apparently helpless. And then, through the mere passage of a direct-primary law, carried by a combination of the progressives of all parties, the giant was smote as Goliath of old and crumpled to the ground in all his armor.

With the passage of the direct-primary law, Hiram Johnson, the selected standard bearer, gave up all private business for months and going into every hamlet in the State preached a new crusade: "Kick the Southern Pacific out of politics!" The Common People heard him gladly. At the primary election he won out as a candidate for the Governorship, and then continued the same county to county, hamlet to hamlet, campaign, sticking to his one text. He was not only elected by a handsome majority, but carried the entire State ticket and legislature with him.

As soon as the legislature assembled, such reform legislation as could be acted upon was adopted, and twenty-three amendments were ordered submitted to the people after having been adopted with but few negative votes.

Arrayed against the initial campaigns and the program were, however, all the large and supposed influential newspapers, the big corporations, the liquor interests, the leading citizens, and all those who had flourished and been protected under the old regime. From first to last it was an uprising of the Common People striving for political and economic emancipation.

First and foremost was the amendment providing for the Recall of all elected public officials, including judges. Probably no other measure had more determined opposition, from the influence of the President of the United States down. Against it was not only the entire combined powerful opposition, but many progressives themselves doubted the advisability of the recall of the judges. The Los Angeles Times treated it as follows: "The Recall should be defeated because it makes official and judicial cowards and destroys stability and independence." Every effort had been made to divide the proposition, but Governor Johnson and his sup-

porters stood unyielding. And what was the result? It obtained the highest vote, some 150,000, upon the entire ballot, an almost four to one majority.

Next in importance was the Initiative and Referendum. This the Los Angeles Times treated as follows: "The Initiative and Referendum should be defeated because they are instruments of the turbulent few and their adoption means recurrent elections of frivolous character." Nevertheless this amendment obtained the next highest vote.

Then came three amendments which enlarged the powers and membership of what had been for thirty years a very inoffensive Railroad Commission, making it also a Public Service Commission. The Los Angeles Times treated this as follows: "The Railroad Commission amendments should be defeated because they propose a centralization of despotic entrenched power over the greatest instrumentalities of modern society." The Common People, however, thought it would be a good thing to try the shoe on the other foot for a while and "intrenched" by a big vote.

What in the end aroused the most popular interest was the amendment relating to Woman Suffrage. Of it the Los Angeles Times said: "Woman suffrage should be defeated because it tends to unsex society and destroy the home and puts a burden on women which most of them do not want." This amendment seemed to gather interest as it progressed and as the women and their friends gained confidence in public speaking, writing, and organization. Every fearful Interest was arrayed against it and reached the "pole cat" stage at the end, bringing in many time-honored stage properties: the "nigger question;" the denunciations of Cardinal Gibbons,—as well as the contrary statement that within two years, owing to woman's religious nature, the parson would supplant the schoolmaster and we would have an established state church. Owing to the fact that San Francisco cast a heavy majority against the measure, and even Los Angeles a light majority for it, and that these cities were the first to send in returns, it looked as though this was the only one of the twenty-three amendments to meet defeat; all the others were known almost at once to have carried. The women sadly gave up the result, but pluckily commenced to plan for a new campaign under the Initiative in 1912. Their mourning was turned to joy, however, as the plain quiet-home precincts and rural districts began to be heard from, and today it looks as though the amendment had safely carried by not less than 3,000, with each far away precinct adding to the majority. An analysis of the Los Angeles vote by the Tribune shows it to have been defeated in the very poorest and least intelligent precincts, such as around the railroad tracks, gas houses, car barns, etc., and also in the most beautiful and wealthiest precincts. It carried among the quiet owners of their own homes, among people not mentioned in the society supplements of the Sunday papers, among people who when night comes light the family lamp and read, study and discuss the economic problems of the day, which bear on them heavier and heavier year by year—the Ultimate Consumers. These city homes and the rural homes and ranches, the great middle classes, gave the im-

pressive silent vote which, for the first time in the history of the State, had the opportunity to express its convictions and aspirations.

Is there not a lesson and incentive in it all for those likewise aspiring to be free in other portions of our boss-ridden country? Lessons and a stimulant for other Common People no more hopeless, no more helpless than were those of California.

SEYMOUR W. TULLOCH.

## INCIDENTAL SUGGESTIONS

### LOOKING THROUGH THE CURTAIN.

Portland, Oregon.

The way California made good is a consolation to all who worked so many years for power of the people. Equal suffrage by a "squeak," but what a roar it will be magnified into before long! Hurrah!

Here the papers are full of Singletax. More discussion than ever before. Much of it opposition, and from The Oregonian unfair. Still, the policy of silence is broken and the war is on.

I am told by one of the most conservative bankers of many years in Portland that loans on speculative properties that are unimproved are being made with great caution. He wants Singletax by inches, he says, and not a rod at a time.

The Grange is being more and more dominated by the farmers around the cities, many of whom are land speculators because of the extension of public facilities and growth of population. The largest local Grange in Oregon is dominated by a very able lawyer whose interests appear to lie close to the land speculator. Other local leaders the same. I find the "city Granger" hard to reach with Singletax. The usual case is a professional man, or a farmer suddenly seeing (or realizing) visions of wealth through being gobbled by the city. Usually he thinks he made all the increased value by raising "spuds" for a quarter of a century, and is inclined to regard the Singletax as a proposition to "rob the farmer." Some of them are very bitter, and intensify their ignorance at every opportunity.

ALFRED D. CRIDGE.

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### TRAVEL GLIMPSES.

New York.

Just had a view of New York's Chinatown and the East Side. The squalor is not so great as I expected, the worst phases probably being hidden—such as windowless rooms and underground habitations.

But there is a worse blot on civilization on the West Side. At the Cunard Pier I saw seemingly sane people in alphabetical groups sitting on their luggage until midnight (and no doubt longer, for not half were disposed of) while impolite officials fumbled through trunks and satchels, examining private effects lest some trinket escape that might be taxed. They were well dressed people, supposedly of influence with the "ruling class," yet they made no protest. I understand that such idiotic insults have been endured for years, but they must be seen to be realized.