THE PUBLIC

A Journal of Democracy

May 3, 1919

Who Should Own the Railroads?

Rackrenters and Vacant Lots

Building for the Future

Published Weekly in New York, N. Y.
Ten Cents a Copy, Three Dollars a Year

The Public

A Journal of Democracy

May 3, 1919

Contents

Founded and Edited, 1898-1913, by LOUIS F. POST and ALICE THACHER POST

EDITOR: STOUGHTON COOLEY

LITERARY AND NEWS EDITOR: S. C. EBY

PUBLISHER AND MANAGING EDITOR: STANLEY BOWMAR

Published Weekly by

THE PUBLIC PUBLISHING COMPANY, INC.

122 East Thirty-seventh Street, New York City

Single Copy, Ten Cents — Yearly Subscription, $3.00

Canadian, $3.50 — Foreign, $4.00

Entered as Second-Class Matter January 11, 1917, at the Post Office at New York, N. Y., under the Act of March 3, 1879

THE PUBLIC

A Journal of Democracy

Volume XXII | New York, N. Y., May 3, 1919 | Number 1100

MR. BURLESON roars bravely, but he is badly frightened. He has been spoken to at last in a language that he understands. Men are generally most easily destroyed by the same tactics that they themselves use toward others. Mr. Burleson's entire policy has been to rule by fear and repression. Ten months of appeals to adopt a humane labor policy found him still at outs with the rest of the Administration. Arguments based on modern industrial policy or good business practice passed over a head incapable of understanding. More than a year ago the President laid down by proclamation a centralized and progressive labor policy. Advice from business men, labor organizations, public employes, and even from his fellow Cabinet officers failed to budge the Postmaster General from his position. He has held resolutely to the theory that the best administrative weapon is fear, but a cablegram sent to the President by a great many prominent New England Democrats asking for his removal caused a reversal of policy and the settlement of the telephone strike almost overnight. Fear had accomplished more than reason. The Postmaster General may not be enamored of justice, but he loves his job.

WHILE the reactionary Mr. Burleson has been running amuck among the delicate industrial machinery of communications he is just beginning to realize that he has been acquiring enemies. The New England situation is only one of a dozen similar disturbances that are brewing. In the Wichita strike his threat to use the Department of Justice gained him no prestige in the West even among conservatives. The progressives on the Democratic National Committee are determined to get rid of him and are going to make his resignation an issue. They are tired of his Bourbon postmasters, of his treachery to the President, and his muzzling of liberals while the Tories were free to skim as close to the line of treason as they wished. When even the politicians realize that he is a burden we may be sure that his days are numbered. Nor will his latest cowardly proposal to return the cables and land wires to private control save him. He has listened so long to Mr. Lamar that he can never be an effective listener when the public speaks.

"IT is little short of silly," says Mr. Burleson, "to talk about collective bargaining with an executive officer by civil service employes under his administration." How strange that any one should have thought of such a thing,—least of all the postal employes who have enjoyed the paternal care of the benevolent Postmaster General. And yet the world has usually been lumbered with these silly folk. Mr. Burleson's forebears had to hear the silly talk about slavery and about manhood suffrage. Now women have taken up the silly demand for the ballot. Where will it all end, if Mr. Burleson does not stop it? It is barely possible that men and women who have worked their way up in the postal service through many years of meritorious labor should object to having their position and circumstance changed at the whim of some political appointee without consulting them. One of the encouraging things about the present situation is that there cannot possibly be many persons in this country so dense that when Mr. Burleson "resigns" there need be any fear that his successor

will be as bad. There is always one consolation in having the worst possible official,—a change must be for the better.

WHY the California Board of Control refused to print the report of the Commission on Immigration and Housing, and why Governor Stephens took the matter in hand when a member of the Commission threatened to publish the report at his own expense, becomes clear as the report issues from the press. One-half of the 4,587,581 acres of "lands in farms" in eight Southern California counties, or 2,295,140 acres, are owned in about 250 holdings. Seven holdings exceed 50,000 acres each. One has 101,000 acres, and another 183,899 acres. "A considerable part of this tillable land," says the report, "lies idle, and another considerable part is not devoted to its most beneficial use. Though there are many thousand persons eager to get access to this land, much of it is not for sale under any circumstances, and such portions as are for sale are held under prices usually beyond the productive value." The report recommends a graduated land value tax "to make large land holdings unprofitable." Now that the report has seen the light what are the members of the California Legislature going to do about it?

SURPRISE has been expressed by some persons that the Victory Loan should have gone so easily. But that is both to disparage the good will of the citizens and the financial conditions of the country. People still take pride in the country's military achievements, and there is more money in the hands of the average citizen today than at any time in the past. There is little doubt that with the elaborate bond-selling machinery devised by the Government the loan could have been placed at 4½ or even less. Some will regret that a larger part of the cost of the war was not borne by taxation at the time. But if the same high supertaxes on profits and incomes are kept up until the bonds are paid it will come much nearer justice than ever before. A valuable indirect effect of the bond issues is the knowledge of credit that has been taught by the bond-selling agencies. A large part of the money raised by the Government comes from individuals who can buy only $50 and $100 bonds, but which in the aggregate represent large sums which but for these methods would have remained unmobilized and unused.

AMERICAN politicians who for the sake of discrediting a political opponent at home were willing to oppose the League of Nations in favor of a League of Entente Allies must now realize some degree of their folly. The fact that Italy should sulk and threaten to withdraw from the Peace Conference in order to carry out a selfish policy regardless of the rights of her neighbors shows how easy it would be for the Entente nations to separate into opposing camps. The same commercial rivalries that existed before the war will be renewed when peace is established, and the very fact that Russia and the Central Powers have been torn from their old moorings and are subject to all manner of trade agreements will increase the opportunities for jealousies and misunderstandings. If there was one reason for a League of Nations at the signing of the armistice there are now a thousand.

TOO many critics of Russia who profess themselves to be democrats and in favor of the rule of the majority are disposed to judge the Russian Government not by what the majority of the people in that country want, but by what the critics think they should have. And as for those of them who are opposed to sending in food, medicine, and other supplies, their opposition would come with better grace if they were themselves within the country and subject to the strain that rests upon the masses of the people. Excessive belligerency ill becomes those who remain safely beyond the range of the guns.

IMPATIENCE is felt by the people of New York over the failure of the Legislature to enact much needed legislation. Most of the measures for welfare, health insurance, minimum wage law, an eight-hour day for women, failed to pass; and what is of far more importance, nothing was done in a positive way to relieve the industrial situation. A bill was passed limiting the tax on real estate to 2¼ per cent., which means a reduction of twelve mills from the present tax and an increase in

the burden on business. If this legislation were due to dishonesty or to selfishness it could be cured by electing another set of legislators, but it is really due to ignorance. The members do not know any better. And what is worse those to whom they go for advice are in the same state. Ours is a government by the majority, and it is safe to say that these legislators fairly represent the wishes of the people. There will be little permanent relief until the citizens themselves have been educated in economics.

TOO often the public is indifferent to disinterested service rendered by altruistic members of the community. A real estate firm in Cleveland is devoting its energies to making home owners with such enthusiasm that it uses columns of newspaper advertising in letting the public know how eager it is. This is a fine attitude, and it should be met in the same spirit. If the city authorities will now do their part by removing all artificial handicaps to home building, the housing problem in Cleveland will be solved. By remitting taxes on buildings and putting them on land values, the city will cheapen both land and buildings and so make home owning easier. The real estate company assures its patrons that the lot they sell will yearly become more valuable, but the home seeker is not so much interested in having his land increase in value after he buys it as he is in having it cheapened before he buys it. The Cleveland real estate firms are doing their part by advertising their lots. Now let the city do its part by untaxing houses, and home getting will soon be so easy that every family can have one.

DYES appear to have usurped the place formerly held by wool in the mind of the American protectionist. Trade necessities led us during the war into manufacturing dyes, and though we have been making them for export they will be swept from the market by German competition as soon as peace is declared. Mr. Culbertson of the Tariff Commission made a special plea for the dye tariff in his Buffalo address. Yet no one knows whether American dye manufacturers can compete with Germany or not. If it is found upon careful investigation that they are not well enough established, and it is thought worth while to continue the manufacture, a temporary bounty should be given until the industry is established. If tariff protection is set up all industries using American dyes will be compelled to pay more than their foreign competitors. But if the bounty is given American dyes will sell at the same price as foreign dyes, and manufacturers using them will have an equal show. Besides, it is much easier to get rid of a bounty than of a protective duty.

EXPORTS, says the *American Economist*, are sold for less than they are sold in their home market. The only way to build up an export trade and not do so at the expense of the American workmen "is to impose a protective tariff on foreign-made goods which shall a little more than equal the difference between the labor and other production costs in this country and the country with which we are in competition." With this vantage to his credit the American manufacturer can sell at a lower percentage of profit and "can improve his methods of manufacture until he can not only pay higher wages than the foreigner, but he can finally by means of superior efficiency actually produce at a lower cost price than the foreigner. This has happened so many times that it is needless to point out examples." It would be interesting to see a list of protected Americans who have voluntarily told Congress that they no longer needed protection.

CALIFORNIA is a wonderful State. Besides the largest vegetables, the sweetest fruits, the handsomest women, and the smartest men, it has all sorts of "questions." In addition to the prohibition question, the labor question, the Japanese question, and a vast array of other questions, it has the land question. Persons who profit by the present system of tenure and taxation declare that it is not right to subject them to the nervous strain and financial cost of repeated political campaigns. At every general election, for the last eight years, they say, an initial Singletax amendment to the constitution has been submitted, and though the amendment has been defeated "the cost of the campaign of education necessary to place the one million odd electors of the State on their guard has always been heavy."

Open Diplomacy

NEVER were words more welcome than the President's statement on the Italian-Jugoslav situation. For many weeks the news from Paris has been burdened with rumors of intrigue, doubt and misunderstanding, until many whose hearts had rejoiced at the coming of open diplomacy had begun to feel that perhaps after all the President had been tricked into compromising positions by the wily diplomats. But at a single stroke he has cleared the way and reëstablished himself as the champion of democracy.

This step should have been taken before. Doubtless it would have been but for the fact that the exigencies of local politics in this country had led certain of his own countrymen to oppose him, which encouraged old school diplomats to think it safe to resort to former methods. President Wilson had taken a new and bold stand. He had defied custom and tradition and had appealed to the common people of European countries, who hailed him as a new leader. But when the Congressional majority was reversed, and the Senate came out flatly in opposition, the professional diplomats seized upon it as an opportunity to recoup their waning strength.

The case of Italian diplomats is particularly flagrant. Recriminations at this time are idle, but it cannot be too distinctly borne in mind how long the political leaders of Italy dickered with the Central Powers, and how they would have remained neutral but for the fact that Germany and Austria would not surrender the promised territory until the end of the war.

Yet these leaders now presume to profit by the terms of a secret treaty that would have been useless but for the part taken by the United States. Not only are they demanding the fulfillment of this secret treaty, which gives them more than Germany would promise, but they are now demanding territory not included in the treaty. To stand upon the letter of a secret agreement would have been bad enough, but to claim Fiume in addition would seem little short of impudence. It cannot be believed that the Italian people, in sober second thought, will thus deliberately close the way to the sea to a neighboring people.

Strength comes to President Wilson from this declaration. The response of his opponents discloses their state of mind. Premier Orlando refers to the President's courage as an "innovation in international relations." The Tory London *Post* speaks of it as "wild west diplomacy." And the Tory *Express* says it is "open diplomacy gone mad." So eager are the junkers to get back into the saddle!

The rebuke to the Italian leaders who would betray the true interests of their people for the glamour of imperialism has a lesson for those Japanese diplomats who have acquired the secret treaty habit, and who are still the subject of ugly rumors that can be laid to rest only by the utmost frankness. Both Italy and Japan will only add to their troubles by attempting to take advantage of any secret or unfair agreements at the expense of their neighbors. The new wine of democracy is still working. It cannot be kept in old bottles.

Readjusting Departments

THE much abused Overman Act was undoubtedly one of the most progressive pieces of legislation adopted during the war. In giving the President power to redistribute bureaus, boards, or functions among the various departments it not only recognized the sound principle that the Executive should be permitted to place his functions under such of his subordinates as he pleased, but it called attention to the present incongruous distribution. There is scarcely a department which has not at least one or two such changelings as the Public Health Service, which no more belongs in the Treasury than it does in the Department of Justice. The same is true of the Supervising Architect under the Treasury, who being in a financial organization has come to regard architectural problems wholly from the cash instead of from the human viewpoint.

It is small wonder that Secretaries of the Interior have so little time for sound public land policies when they are harassed by the necessity of supervising such a collection of administrative odds and ends as the Pension Office, the Bureau of Education, and the Office of Indian Affairs, not to mention a college for Negroes and an institution for the deaf. Note the exquisite harmony of function involved in the

joint administration of the Reclamation Service and a hospital for the insane! Under such conditions proper administrative efficiency is out of the question.

The tendency of bureaus is toward stiffness and inertia any way. Under normal circumstances their operation tends to become mechanical, but this tendency can be corrected if there is flexibility at the top. The transfer of the Bureau of Immigration from the Department of Commerce to the Department of Labor has worked wonders in the administration of an agency which had grown so legalistic that it had almost forgotton that it dealt with persons and not with inanimate objects. This change could not have occurred had the Bureau been transferred to the Treasury, for intsance, or to the Interior. In either of them it would have been so remote from the subject matter of the main organization that it would only have drifted farther and farther from its original purpose. The principle of grouping bureaus so as to bring together those having related problems is one of the prerequisites to departmental efficiency, and no efficient personal administration can be expected until the impersonal causes of maladministration have been removed.

The Economic Alignment

THERE is an intimate relation between economics and politics, and the movement among business men for an increase in production may have consequences much wider in reach than the fathers of the movement themselves realize. Those who are interested in the development of the moving picture industry probably did not intend to aid in the passage of the prohibition amendment to the Constitution. Nevertheless, the offering of a form of cheap amusement as a substitute for the saloon undermined that institution where it was strong, and gave the breadth and sweep to the prohibition movement necessary to achieve victory. In similar manner increased production would inevitably lead to new political alignments radically different from those of today.

The manufacturer is the natural ally of the worker. He is himself indeed a worker of a supervisory character. His natural interests like those of his employes lie in increased production. The greater their joint production the more there will be for them to divide. Any interest that restricts productive enterprise is, of course, the natural enemy of both worker and entrepreneur. Typical of such interests are monopolists of lands, water power, patents, and natural resources—in brief any one who lives not by work but by charging others for access to opportunities for work.

It has been a regrettable thing that in the past great manufacturers have not been aware of this difference between themselves and monopolists. This came about because they were not conscious—class conscious, if you please—of themselves as persons primarily interested in production. So confused had the thought of business men become that their ideal was restriction. Producers of steel had as their ideal control of the field by a few men so that part of the manufacturing equipment could be thrown on the scrap heap and output be reduced. The trend of all thought in the business field was toward monopoly.

Reverse that, and what happens? The business man will become interested not in restricting his product, but in increasing it. The bogy of overproduction will no longer bother him. His thought will be diverted from the channel of monopoly to the channel of freedom. He will no longer be the ally but the enemy of the monopolist. Create such a condition of affairs and the business man will become not the backbone of conservatism but a voice for liberalism.

Capitalizing Hatred

GENERAL SHERMAN made a sad mistake when he said war was hell. Not that it is not what he said it was, but by using that superlative he left no fit word to describe the period following the war. If war is hell—and few will question it—what term shall be applied to the years following the war, when distrust, suspicion, and hypocrisy fill men's minds and turn the love of human kind to mutual hatred? The four years of our Civil War in which Americans fought Americans, and shook hands when it was done, were followed by twenty years of internecine strife and the waving of the bloody shirt, and politician plotted with politician in reviving war memories and setting

brother against brother that they might retain political power.

Some one has discovered a German conspiracy to inundate the world with goods. All the cunning, deceit, and ingenuity formerly devoted to obtaining military supremacy is now to be given to industry. The far-flung lines of spies that served the Kaiser will hereafter be devoted to the service of commerce. If any one doubts this let him consider the men who have lent the charge the support of their names. But, after all, did not worthy men once solemnly consign witches to the galleys in Massachusetts? Did not learned men believe the earth was flat? And did not those of good repute declare they had seen the kissing bug? Are we not to exercise our own reason? Where are the facts to support these assertions? Before the war closed we were told that German warehouses were bursting with goods to be dumped upon America and other nations.

The anti-German agitation now set up, and the stories of Germany's preparation to subdue the world by commerce as she tried to do by arms, are prophetic of a campaign for higher tariffs and the exercise of all manner of restrictions, avowedly to protect the people of this country, but really to enrich the few who profit by such restrictions.

Are there any more eggs in this mare's nest than in those already discovered? It will be easy to keep alive between Germany and the world a hatred worse than that between the North and the South. Is it worth while?

Rent Profiteering

NEW YORK'S rent problem has brought into being a new species of landlord, or rather rent lord. Instead of speculating in land as heretofore men are buying and selling rent rolls. A venturesome individual finds a tenement renting for four or five dollars a room which he thinks can be made to pay more. He either buys the building or enters into some kind of leasing contract.

The new owner or lessor ousts the tenants and immediately fills the house at a higher rate. The scarcity of buildings continuing to grow, another man buys or leases the place and repeats the operation. Some buildings have already changed hands three times this year, each transaction representing a considerable advance in rent. It is this class of rackrenters that has brought so much odium upon the name of landlord. But these men find their opportunity in the scarcity of houses, and the only effective way to stop them is to stimulate building.

The hardship of such a condition would be bad enough if it merely meant paying more rent, but there is a worse feature. All the housing space in New York is now occupied, and the population is increasing at the rate of a quarter of a million a year. The only recourse is to leave the city or double up with other families. Two families share a tenement too small for one, with all the discomfort and bad conditions that come through overcrowding. It is safe to say that present extremities will cause more distress and lead to greater immorality than did the war itself. It is even affecting marriages. Young people planning to marry cannot find places in which to live.

Yet at the present price of money, land, labor, and building materials it does not pay to build. Consequently there is no building in New York. Labor is not likely to be cheaper with the present cost of living. Building materials show no sign of coming down. Land is inclined to rise rather than fall. Money may be made cheaper by systematizing credit.

Mortgages have of late been restricted to such a low percentage of the value of the property that the professional builder cannot operate. The call now goes out to those public-spirited men who like to think of themselves as stewards of wealth, holding in trust for their less fortunate brother the superabundance that has come to them. If money can be had in generous quantities at five per cent. or even five and a half, builders are ready to begin construction.

Dr. Kirchwey, director of the United States Employment Service, says there are 100,000 men unemployed in the city. There is plenty of land and an abundance of money. With idle land and idle men cannot ways be found to put the necessary credit at their disposal? The only permanent cure for present conditions is the shifting of taxes from buildings to land. But meantime people are suffering from the want of shelter.

New York Rackrenters and Vacant Lots

By Charles Johnson Post

Journalist; Author of "Across the Andes," "Jimmy's Infant Industry," "Manual of Pack Transportation," "The Rock Island Scandal," and "The Honor of the Army"

WITH an amazement that is pathetic—and tragic—New York City is now aghast at the problem of rent profiteering that has New Yorkers—men, women, children, and babies—by the throat.

Rents have been advanced in the past twelve months 25 and 50 per cent. Many landlords are themselves becoming alarmed over what the future holds in store by way of hate and retribution,—and this sensitiveness lest they overreach themselves is the only check in sight.

A Mayor's Committee has been formed; the New York *Globe* devotes columns of its space to discussion and remedies; so do other newspapers with their real estate editors and pages of real estate advertising; and real estate interests have their committees—the latter having adroitly jammed a law through the Legislature less than a month ago that limits all taxes on real estate to not over 2¼ per cent. And not a remedy, not a suggestion, and not an expedient that indicates any other desire than to conserve intact the interests of the real estate elements that are profiteering, and who are and have been fighting laws that would develop or force the building of houses upon the thousands of useless, profiteering, vacant lots of New York.

Of course, this rent profiteering is made possible because there are *not* apartment houses and dwellings in New York City sufficient for the normal population, to say nothing of the natural increase.

Those are the conditions.

And here is how New York has invited and nurtured this ghastly situation.

Any one who built an apartment house or a dwelling in New York promptly had his taxes raised. It cost him more in taxes to erect a building that would furnish housing than it did to allow the land to lie absolutely idle,—a welcoming ground for weeds, ashes, mosquitoes, and generally a bill-board to pay the modest taxes on the vacant property. Speculation in vacant land has been encouraged by New York and building operations have been discouraged,—and thus New York lacks houses. And yet every New York committee and newspaper is solemnly considering the real estate and landlord's views as to relieving the housing situation! The wolf's views on sheep may be valuable, but not to committees on sheep-raising. It would be funny if the situation was not so desperate. Do landlords want more houses? They do not! New York has thousands and thousands of absolutely vacant lots on which the owners have for years *virtually been paid a premium* in the remission of taxes conditioned only upon the fact that they did not build. And they did not build.

The average growth of New York for a number of years before the war was about 185,000 per annum. For this there had been building—in spite of the stupid premium system for vacant lots—an approximate average of 27,000 apartments per year up to and including 1916.

In 1917 there were only 14,241 apartments built.

In 1918 there were only 2,706 apartments built. The word "apartments" here used does not mean apartment houses, but only the number of separate apartments in each apartment house.

And in 1919, in the first three months the total new buildings planned—not built—consisted of *two apartment houses*, and up to the present date there have been planned, not built, only *eight apartment houses!*

What this means in the loss of labor and lack of employment in construction, with the consequent demoralization of our economic structure—not only of New York, but clear back to the labor manufacturing the products used in construction, the rolling mills that supply the iron girders, the lumber mills that supply the lumber, the mills that grind the plaster, the tile yards, the manufacturers of plumbing fixtures, of sheet iron and tinning, of wall paper, of paints, and of every product that enters into the building of a house—is appalling. New York City is committing suicide in order that

the real estate speculators in vacant lots may live and rent profiteers survive in comfort.

The aggregate increased value of vacant land in New York City is approximately 7 per cent. a year. Banks or Liberty Bonds pay only 4 and 4½ per cent. Each year the value of the opportunity of doing business or living in New York City increases the value of land alone—the vacant lot or land upon which a building exists—by *7 per cent.* The business energies, the social energies, the aggregation of population, and every activity of enrgetic men and women, continues to add 7 per cent. yearly to the value of any vacant lot—and it costs less in taxes to keep the lot vacant than to build upon it. And New Yorkers wonder why there are not enough apartments and dwellings in this city and why it is that landlords can rackrent and profiteer.

It is this 7 per cent. a year that has for years been laid down each year by New Yorkers on the vacant land of William Waldorf Astor of England that enabled him to purchase his lord's title.

It is the same 7 per cent. laid down on the Goelet lands each year that has kept up the nobility into which the daughter of the Goelets married. It is 7 per cent. each year that New Yorkers contributed to the notorious vacant "dog-lot" of the Wendells at Twenty-ninth Street and Fifth Avenue, which the Wendell family declined to sell for building purposes on the ground that it was convenient for their dog's daily exercise.

That dog is possibly dead—but his estate if probated probably ranks as the highest dog legacy on record—except that it had an additional advantage in that it ever dodged the inheritance taxes.

The fact is that New York placed no premium on buildings and *did* place a premium on vacant lots and tax-dodging improvements.

The result is that conditions in the city are serious to the limit—and are rapidly becoming desperate—because of rackrenting and rent profiteering.

So that today New York City, having for years enforced a system of premiums for vacant lots and tax penalties upon the erection of houses, has so few houses that the owners of those houses can and do have their occupants by the throat.

Do New Yorkers know these things—or think of them when they pass a vacant lot or shoddy "tax dodger"? Possibly, possibly,—but they can tell you the standing of the major league clubs for at least three years back and what the Red Sox chances are for the pennant this year.

But between the pressure of the income tax on the one side and rent profiteering on the other there is a practical stimulus to thought *that—!*

Plan of Private Owners for Railroad Organization

By Howard Elliott

President of the Northern Pacific Railway Company; Chairman of the Committee on Inter-Corporate Relations of the New York, New Haven, and Hartford Railroad Company, and a member of the Standing Committee of the Association of Railway Executives

I CANNOT believe that human nature and the art of government have developed sufficiently to make government ownership and operation successful. I believe that embarking on the sea of government ownership and operation involves a risk of wreck, not only to the railroad system of the United States, but to some of the fundamental theories of American life and effort that have made us a great nation.

The American railroad system has been created almost entirely through the tireless energy of the American citizen who has been at liberty to use his splendid individual initiative and who took the risks of business in the hope that he would have the rewards of success. Growth and development of the system were continuous until methods of regulation failed to respond promptly to changed conditions.

The railroad executives are as earnest, sincere, and patriotic as any class of citizens in their efforts to suggest a basis for the ownership, operation, and regulation of the roads that will be just to owner, shipper, traveler, and worker, reflect promptly changed condi-

tions, and keep pace with the growth of the country. These executives have set down certain principles that they believe ought to be incorporated in the legislation the new Congress will soon consider.

Their suggestions are based on a belief:

That it is better for the country that the furnishing of transportation be a function of business rather than a function of government.

That every reasonable precaution should be taken to preserve the energy and initiative of the American citizen, and that there should be allowed reasonable liberty of action.

That reasonable regulation, but not management and operation, by State and nation is necessary and desirable, and that in all cases of doubt or disagreement the nation must be the dominant regulating authority over State, county, and municipality.

That under private ownership and management conservation of railroad facilities, service, and credit can be obtained by the common use of property when such use is clearly in the public interest.

That in order to obtain the results needed for the protection and development of the nation it will be necessary to change and modify some practices and ideas that have long prevailed. The owners must assent to Federal control, but they should also have Federal protection and encouragement. The great labor organizations must assent to some orderly way of settling disagreements over wages and working conditions, so that the railroads will continue to serve the public pending the adjustment of disputes. The Government, in its regulating practices, must be more responsive to changed conditions, and there must be protection of this great industry as well as regulation, and there must be no twilight zone between national and State authority.

A summary of the suggestions of the railway executives is as follows:

Ownership, management, and operation by private owners rather than by the Government.

Regulation as to all essential matters, including rates, both State and interstate, to be by the Federal Government, which shall control in case of conflict with States.

Establishment of a Department of Transportation, with a secretary who shall be a member of the President's Cabinet.

Placing in the Department of Transportation various executive duties, such as the enforcement of the Safety Appliance Act, the Hours of Service Law, etc., and relieving the Interstate Commerce Commission of all such duties except those relating to accounts and valuation, thus making it a quasi-judicial body, with ample time to deal with the great questions of discrimination, relations, and reasonableness of rates, etc.

State commissions to be retained, with powers of local regulation except as to rates and securities. Regional interstate commerce commissions to be created, upon which will be a representative from each State in a region. This will enable prompt action by local tribunals near to each State and community for local matters. More important matters, national in scope, to be handled by the Interstate Commerce Commission and the Secretary of Transportation. The jurisdiction of the several bodies to be carfully defined and harmonized.

The rates, both State and interstate, established by the Director General to remain in effect until changed by lawful process. The establishment by Congress of the rule that rates shall be adequate to attract to the railroad business the capital needed to give the public the facilities and service they demand. Also requiring that, when it is in the public interest to have increased rates in order to have adequate facilities and service, the influence of the Administration, through the Secretary of Transportation, shall be used to that end. The carriers to initiate rates subject to suspension by the Secretary of Transportation and to review by the Interstate Commerce Commission. The Commission to have the power upon complaint to fix minimum as well as maximum rates.

Amendment of the Sherman Anti-Trust Act so as to permit mergers, combinations, and other agreements that will mean conservation of capital and service and elimination of waste. Such agreements, however, to become effective only when in the public interest and when approved by Federal authority.

Prohibition of lock-outs and strikes until investigation and report, so that public opinion can have a chance to express itself. Provision for an impartial board made up of an equal number of representatives of the public, of the

employers, and of the employes to report to the Secretary of Transportation upon the merits of any controversy that the parties are unable to adjust.

Exclusive Federal supervision and approval of all securities issued by railroads. The funding for a term of years of railroad obligations now due to the United States.

Federal incorporation.

The power to rest with the Federal Government, when it is clearly to the general interest of the public: (1) To arrange for the distribution and rerouting of business so as to prevent congestion and blockades; (2) To arrange for fair distribution of cars between roads, regions, and shippers; (3) To arrange for the joint use of terminals when owning roads fail to agree; (4) To prevent waste and extravagance in construction of new roads, branches, expensive terminals, and duplicate facilities; (5) To arrange a unification of the roads into a continental system in a national emergency like war.

The railway executives believe that with these principles embodied in suitable laws, and with harmonious machinery for administering them, all the benefits possible under government ownership or operation, or both, can be obtained and the obvious dangers of such government ownership and operation avoided.

Government Ownership and Railroad Organization

By Hugh Reid
Of the Department of Labor

THE most important fact to have in mind in considering the railroad problem is that we have neither government ownership nor government operation at present. What we have is private ownership with guaranteed dividends, plus private operation tinctured by a large degree of public regulation.

There are two advantages to be gained by government ownership. One has to do with ownership and the other with operation. We know nothing of the advantages to be gained by the first, and have only a smattering of the blessings of the second. We know in a general way that the expenses of the various law departments have been reduced by $1,500,000 annually. We know that consolidation of offices is saving $23,566,633 a year, that competing and unnecessary trains have been eliminated, and that other large savings are being made by the shortening of routes and the consolidation of repair facilities. We know almost nothing, however, of the real savings that can be effected, nor can we make those savings until the present anomalous status of the roads is ended.

The magic in government ownership, financially at least, is bound up in unification. There is a current idea that we have already unified the roads. Nothing could be farther from the truth. Mr. McAdoo worked wonders considering the material he had to deal with, but we have barely begun the process of unification.

As offering but a glimpse of the possibilities, let us take the car situation. If we were under public ownership, any freight car in the country would be at home anywhere in America. As it is, we still maintain the same costly army of tracers checking and locating the property of each individual company. Swarms of clerical officials are used to keep books not only between the different systems, but within each individual system. For there is no diminution in the amount of corporate bookkeeping. Consider, for instance, the Pennsylvania lines, one of the most efficient of American railway systems. We think of it as a single company. It is not. The commercial manuals show fifty-one subsidiary companies constituting the system, and each of these companies checks, audits, and reports for itself. Yet the Pennsylvania system is one of the most profitable roads in the country, because its competitors are similarly loaded down with armies of clerks to maintain the balance between the minute subdivisions of each road.

Unification would do away with such useless service. David J. Lewis aptly compares the potential saving with that of the Post Office. An express parcel undergoes no less than twelve

separate clerical processes, all of which were superseded in the Post Office by the simple affixing of a postage stamp.

Such unification, however, must be real. It can take place only when every mile of track in the country is in one single undivided ownership. There must be not a federation of roads, but one road. The best that a private consolidation can effect is a corporate federation of many ownerships. Such a union is no more unification than a dozen pieces of wood are a plank.

This multiplicity of companies makes for costliness and complexity everywhere. Rate-making in Great Britain and America is a complicated process. Tariffs that require countless volumes are in other countries compressed to books of 250 pages. An American railroad expert who once proposed the condensation of our rates to 30,000 pages was considered a hopeless optimist! Yet the Prussian table of rates occupies exactly 100 pages.

Great savings can be effected by a proper coördination of rail and water facilities. The commercial greatness of Germany was built not on the vaunted efficiency of her manufacturers but on cheap transportation. Rail and water were one, and the inland manufacturer had access to the sea. America has barely touched her water facilities. Private ownership of railroads in America has meant the stifling of such water ways as existed. If we are to use our 8,465 miles of navigable coast line on the oceans and Great Lakes and our 26,400 miles of navigable rivers it must be by wiping out the great interests which will lose financially if we use our water ways. Under private ownership either rail or water must be primary. Only the Government can make both the servants of commerce.

Much is made of an increase in rates under Federal control. That question is neither here nor there, for no private company has so far offered to reduce the rates. The chief objection to government retention of the roads is the heavy financial deficit which must be met by taxation. For the information of those who are worried about the billion-dollar deficit predicted for the coming year certain explanations are due. This deficit is, after all, easily explained. For many years the railroads have been paying dividends that were not dividends at all, but a part of the principal. Hardly a road in the country had as many cars at the outbreak of the war as it had in 1918. Rolling stock and equipment alike were deteriorating and were not being replaced. Returns to railroad investors of late years have been analogous to the returns received by the careless farmer who withdraws the fertility of his soil year by year and puts none of it back. James J. Hill said some years ago that the railroads of the country would have to spend more than $5,500,000,000 for betterment before they would become efficient. The Railroad Administration is spending it. Less than $200,000,000 of the deficit is due to operation. The balance goes to permanent addition to railroad values.

Not all of the deficit, however, is traceable to betterment. A great deal goes to pay exorbitant rentals. The railways of America are receiving returns based upon their pre-war earnings. No public utility in America is earning as much as it did before the war. We are not only paying to the railroads of America greater dividends than they are capable of making under present conditions, but greater dividends than they actually did make. For their pre-war returns, as has been indicated, were really a part of their principal and not true dividends at all. The exorbitant nature of the rentals we are paying today can be seen when we consider that the average rentals received by railroads in the Eastern region are equal to a 11.48 per cent. dividend on their capitalization; those in the Southern region are equal to 12.37 per cent.; and those in the Western, 9.96 per cent. As examples of dividends paid to individual roads consider the following: Pennsylvania Railroad, 8.93 per cent.; New York Central, 12.95 per cent.; Delaware, Lackawanna, and Western, 32.90 per cent.; Philadelphia and Reading, 25.70 per cent.; Central of New Jersey, 20.25 per cent.; Illinois Central, 11.33 per cent.; Louisville and Nashville, 16.75 per cent.; C. B. & Q., 22.05 per cent.; Delaware and Hudson, 12.79 per cent. The Government could, on the basis of present capitalization, pay the stockholders of the roads enumerated par value for every cent of stock, and by merely substituting the market rate of interest for the present rate save every cent of the present deficit.

Unregulated private ownership is unthinkable. Regulated private ownership is not possible. Such regulating means continued inflation of railroad land values, capitalization of excess profits by some lines and the bankruptcy courts for others. It means a continual struggle between Government and railroads, with politics to the fore in every railroad system. It means special privileges to preferred users, for regulation no more prevents special privileges to certain patrons than bank regulation will prevent loans to certain preferred bank patrons. Public regulation has, for instance, been powerless to prevent the manipulation of food supplies by the packers. Private ownership means the constant extension of Federal control and responsibility until they have reached a point where private operation vanishes. Why, then, not take the full step now?

Public ownership places a natural monopoly squarely upon a service basis. It makes possible a systematic development of our natural resources. A railroad, after all, is nothing but a highway, and is no more subject to private ownership than a street. Twenty years from now private exploitation of one will be as unthinkable as the other.

Building for the Future

By David Starr Jordan

Chancellor Emeritus Leland Stanford, Jr. University

THE problems of the future call for intellectual rather than emotional solution. Our country's welfare demands serious study of our own history and the experiences of the rest of the world. Putnam Weale has said that "history is made only to be immediately forgotten." Much that passes for history, being based on picturesque falsehood and "patriotic" exaggeration, deserves to be forgotten. A pathetic clinging to remnants of outworn partisanship persists in the schools of all nations, perverting and nullifying the lessons of the past. It has indeed been maintained that, next to avowed militarists, teachers are most responsible for the illusions and obsessions of war. In an eloquent passage Professor Henry Morse-Stephens thus appeals for a higher ideal in the teaching of history:

> Every generation writes its own history of the past. The historian is influenced by the prevailing spirit of national intolerance today as his predecessors fed the flames of religious intolerance in days gone by. Woe unto us professional historians, professional historical students, professional teachers of history, if we cannot see, written in blood, in the dying civilization of Europe, the dreadful result of exaggerated nationalism as set forth in the patriotic histories of some of the most eloquent historians of the nineteenth century. May we not hope that this will be but a passing phase of historical writing, since its awful sequel is so plainly exhibited before us, and may we not expect that the historians of the twentieth century may seek rather to explain the nations of the world to each other in their various contributions to the progress of civilization.

While it may be that "history is one long bath of blood," its significance does not center in the record of its brutal crudities. It is rather the "biography of man," the story of man's efforts to throw off the mental and moral shackles which, from out of the remote past, have impeded his progress. Fundamentals in human experience are little concerned with dynasties, conquests, and campaigns, but rather with the unfolding of civilization, the rise of the people, the revivals of learning, the advance of science—indeed, with all those incidents which mark emergence into race manhood. In this process war is only a turbulent intruder. The true heroes among men are seldom those individuals traditionally glorified.

The student, moreover, should be led to see that human history is a continuous process, not a succession of catastrophes. The real growth of humanity takes place in quiet; by war it is interrupted or reversed. For war is never the motive force of progress, and the spread of great ideas is not often facilitated by it. The forward trend of civilization is largely conditioned on science, itself a product of peace. War promotes human advancement only when some gigantic collective evil is overthrown by its catastrophic operations. That this rare event has taken place before our eyes at the present moment should not deceive us as to the needs of the long future.

Among the constructive lessons to be drawn from history must be counted the fundamental tenets of democracy—personal freedom and obedience to law. Repression of freedom and defiance of law are alike betrayals of democracy. Defects in the systems of democratic control have, it is true, been many, and the evenness of its operation has been obscured by dynastic and military intrusions; but "time brings counsel," and the people correct their errors through their own experience. In the long run a revival of zeal cannot take the place of an expansion of wisdom.

CURRENT THOUGHT

Men Too Proud to Fight

A MAN does not come the length of the spirit of martyrdom without some active purpose, some equal motive, some flaming love. If you have a nation of men who have risen to that height of moral cultivation that they will not declare war or carry arms, for they have not so much madness left in their brains, you have a nation of lovers, of benefactors, of true, great, and able men. Let me know more of that nation; I shall not find them defenseless, with idle hands swinging at their sides. I shall find them men of love, honor, and truth.—*Emerson.*

Illiteracy and Democracy

HAPPILY, the war ended; but the problem, big and threatening, is still here. That illiteracy was a serious hinderance to the mobilization of the fighting and civilian forces of the nation, as well as a decided economic loss, had been demonstrated. Yet the handicaps to these phases of national efficiency are infinitesimal as compared with the impediments which illiteracy offers to *successfully applied democracy.—Mrs. Carrie Chapman Catt, in Speech at Convention in St. Louis.*

Franklin on the League of Nations

"I SEND you enclosed the proposed new Federal Constitution for these States. I was engaged four months of the last summer in the Convention that formed it. It is now sent by Congress to the several States for their confirmation. If it succeeds, I do not see why you should not in Europe carry the project of good Henry the Fourth into execution, by forming a Federal Union and one Grand Republic of all its different States and Kingdoms: by means of a like Convention; for we had many interests to reconcile."—*Benjamin Franklin, in a Letter to a Friend in England, October 22, 1787.*

Is Labor Extortionate?

MEN whose annual wage would hardly pay the annual theatre expenses of a gentleman of leisure cannot be accused of extortion. What possible powers of extortion do wage workers have? Unorganized, they have none at all. These workers cannot get even what are called "fair wages" except as their organized fellow workers standardize wages. And organized wage workers can standardize wages only by quitting work in bodies or threatening to do so if fair wages are refused. Who has the temerity to call this compulsion "extortion"? It is an abuse of language so to denounce even the highest wages that labor organizations have ever been able to exact.—*Louis F. Post, Assistant Secretary of Labor.*

Human Progress and the Referendum

IT was radical, unpopular, and politically dangerous to propose to amend the Constitution in such a manner as to prevent men from making, buying, and selling intoxicating liquors forty years ago. Today the man who did it finds his ideas embraced by a vast majority of the nation and the followers of that idea preparing to spread it all over the world. If the people of the United States amend their Constitution to prevent men from voluntarily drinking intoxicating liquors, why not further amend it so that they can voluntarily decide by their votes whether or not they and their children shall go forth to kill and be killed by the people and children of another nation! It will not take forty years for them to decide for the adoption of this amendment.—*Let the People Vote on War.*

Gawler Land Values Poll

A POLL under the Land Values Assessment Act was taken at Gawler, South Australia, last December. The principle of rating on land values was adopted by the citizens of this municipality at a poll in December, 1912, the voting on that occasion being in favor of land values, 179; against 178. Immediately the land values principle was adopted its beneficial effects became apparent. Land that had previously been held for speculative purposes was at once placed on the market, and a considerable number of new and beautiful houses were erected. That the land values system is not unfair in its incidence is proved by the fact that not a single appeal was lodged against the last assessment. In spite of this, a few shopkeepers in the main business centers have been agitating for a return to the old system of taxing improvements. Although their land was really undervalued (the local assessment was £6,886 below the government valuation), they were not satisfied, but wished to transfer their just liabilities to ratepayers situated in less favored portions of the town. They succeeded in getting the Town Council to pass a motion providing for another poll of the citizens. The Singletax League interested itself in the matter, and the Secretary was instructed to proceed to Gawler and do everything possible to retain the land values system. A special leaflet was prepared and placed in every house in the town, the matter was dealt with in the columns of the local press, and the citizens were interviewed. As a result of the work done the poll was brought to a successful issue, the voting being: In favor of retaining land values, 219; against, 121; informal, 28. At the original poll in 1912 owners and tenants were allowed to vote, but at the 1918 poll the voting was limited to land owners only. The fact that after five years' operation of the system the land owners have reaffirmed the principle by a bigger majority than was secured when tenants were also allowed the vote is convincing evidence

that the principle is giving general satisfaction. We have thirteen municipalities in South Australia raising all their revenue by taxing land values only.—*E. J. Craigie, Secretary, Single Tax League.*

BOOKS

Justice Among Nations

The Political Conditions of Allied Success. By Norman Angell. New York: G. P. Putnam's Sons. 1918.

NOTWITHSTANDING a certain diffuseness that frequently attaches to so facile a pen as that of Mr. Angell, this book should be of great value in clarifying the reader's thought on the complex issues that now face the world. Though written before the cessation of hostilities, it is not in any sense out of date, treating as it does of those moral relationships between peoples which must underlie any successful effort to build up a rational world out of the ruins which irrationality and immoral relations have left behind. In the preface the author defines his standpoint by a protest against the too common notion that pure motives and redhot enthusiasms are trustworthy guides for men or nations in their most critical moments. "Wise action," he says, "will depend not upon our feelings but our judgment. Emotion will carry us along the road when the road is chosen; but it will not necessarily help to determine which is the right road."

In the first chapter Mr. Angell demonstrates, what all have deplored, the failure of the Allied nations to make their ultimate aims so clear as to be incapable of misinterpretation by the enemy. Had it been definitely proclaimed that the object of the war was to bring to an end the old order under which each nation's safety depends upon its own strength, and to substitute a new order in which the security of each would be underwritten by the combined strength of all,—a security which Germany herself would ultimately be free to enjoy,—the German rulers could have had no theme on which to rest their assurance to their people that the war was a defensive one. Under the old system of competitive power, as is pointed out, a nation has the perpetual alternative before it of denying the rights of others or endangering its own, and may therefore easily convince itself, as Germany did, that an act of aggression is really one of self-defense. But the newer policy "can only become operative as the result of 'an act of faith' on the part of statesmen,—a conviction that the risks involved in the new are less than those involved in the old, and that though the proposed system *may* fail the old one certainly *will*."

Mr. Angell deals carefully with the imperfectly understood fact that the directing motives in world politics are rapidly shifting from political to economic or social grounds, with results that naturally surprise those who are not alert to such changes. For the alignment in the conflict now inevitably runs in a different direction. The immediate interests of the land-owning and bourgeois classes in all countries are bound up with the old system for which Germany stood and would willingly stand again. The interests of the workers of all countries, on the other hand, are more obviously aligned with the revolutionary movement which threatens to cover the world. For which economic system will the Allies stand? If, beneath the protestations of national friendships and the flowers of rhetoric that have bloomed so profusely since the peace conferees first met, there lies a latent sympathy with privilege and a wish to restore the economic *status quo ante*, we need not indulge much hope for the emergence of that faith in the future that will make the new order of things possible. But if a moral conversion has overtaken our statesmen that is at all commensurate with a full realization of the tragedy that is being played out on the stage of the world, everything may be hoped for. "The ultimate factor in the problem" is, as Mr. Angell says, "a moral one. The chief obstacles are not mainly physical, . . . but moral and intellectual difficulties, the mental habits and impulses of men. . . . Our management of matter has altogether outstripped our management of human relationships, of our mind and natures."

The chapter on "The Criminal Nation" is worthy of special commendation. The author reminds us of what we readily forget, that when we punish a criminal because he breaks the law we do something more. We protect him when he observes it. Without that implied promise our punishment would be entirely ineffective. When Germany has expiated her offenses and delivered up her burglar's tools, what answer can we make when she inquires whether we propose to restrain Italy or Serbia from any attack upon her in the future? If we leave her defenseless and unsecured against aggression, can we expect anything but secret attempts to recover her former strength and avenge her humiliation? These, briefly stated, are some of the problems Mr. Angell brings to light, the solution of which he conceives to lie in a League of Nations. The judgment of Solomon is upon the world. As the real mother was identified by her willingness to resign her child that its life might be saved, so the nation that willingly gives up its sovereignty that humanity may be spared what is worse than death will be acclaimed by the posterity of the whole race as the true apostle of democracy,—the herald of that new age of which poets have sung and prophets have prophesied, when wars shall cease and peace shall flow on like a river.

ALEX MACKENDRICK.

The Problems of the Municipality

Our Cities Awake. By Morris Llewellyn Cooke, M. E. New York: Doubleday, Page & Company. 1918.

AMERICAN municipalities are undergoing a metamorphosis. Progress sometimes seems slow, but the change is very evident to the careful observer. The city government is assuming many functions and the necessity for more business-like administration is actually forcing changes in political methods. The commission form of government is making rapid strides and the advent of the city manager is turning old methods topsy-turvy. We have even seen proportional representation applied in three of our small municipalities with good chances that the demonstration of its practicability will lead to its widespread adoption.

In this situation one is naturally led by the title of Mr. Cooke's book to look for an exposition of contemporary progress in municipal management. If so, he will be somewhat disappointed to find the contents devoted largely to a recital of the author's attempts to modernize one of the departments of a city said not long ago to be "corrupt and satisfied."

Mr. Cooke was director of public works in Philadelphia during the administration of Mayor Rudolph Blankenburg, and he relates in this volume many of his experiences in that office. Interspersed, however, in the recital of Philadelphia conditions and experiences are many remarks giving the author's views upon municipal conditions and desirable methods of city management, and occasional references to facts from other cities. One of the most interesting of these diversions is his discourse on civil service examinations and the selection of appropriate appointees in the higher technical positions. The dangers of letting the safeguards provided by such machinery become a matter of unintelligent routine are well brought out.

The attitude of the author throughout is forward looking. Every situation is analyzed from this viewpoint. The attempt has been made to handle the subject in a popular way, just as the author attempted to make the work of his Philadelphia department of popular interest. His innovations in making reports readable and calling public attention to the work of the city are admirable and worthy of imitation by other public officials. The book contains a wealth of interesting illustrations, but many of them have no relation to the text by subject, and many are lacking appropriate relation of position.

No municipal official can afford to pass over this record of experiences and suggestions, and the book should also be in wide demand among those interested in municipal problems and their solution. Any one cognizant of Mr. Cooke's work for Philadelphia and the creation of the Utilities Bureau for coöperative effort by municipalities in the solution of their local utility problems will be able to forecast the atmosphere of the narrative. The foreword by Secretary Baker strengthens this atmosphere.

MORTON G. LLOYD.

Democracy and Its Dangers

The British Revolution and the American Democracy. By Norman Angell. New York: B. W. Huebsch. 1919.

IN these days when it is considered the fashion among radicals and even mere liberals to belittle political democracy, it is indeed comforting to turn to one who, while perceiving the necessity for certain thoroughgoing readjustments (notably in industrial representation), is nevertheless content to abide by the good old Anglo-Saxon institutions of parliamentary government and majority rule. Mr. Angell enthusiastically welcomes the British Labor Party, because, unlike other political groupings in England and America, it has formulated definite answers to the problems of private property and collective ownership. The parties are floundering about with noncommittal or ambiguous attitudes regarding the real issues that are concerning us—the return to private ownership of the railways and telegraphs; the continuance of governmental distribution of commodities, price fixing, and taxing capital; the extension of military insurances to civilian and industrial occupations, and so on. These questions, so far as they can be said to apply to England, have been answered. Who shall answer them in America?

So far the author's argument, however lucid and clarifying, is after all an elaboration of the more or less obvious, and for this reason his work might not seem to contain the almost classic qualities of his former works. However, the third and most illuminating part traces the pitfalls that the *régime* of the future, whether it be socialistic or capitalistic, will have to consider. First of these is the intolerance of the mass of men for opinions contrary to the commonly accepted ones. "All bright hopes of past efforts at a really new order have been wrecked upon this rock: human lust for the coercion of those of contrary opinion. Mankind has failed in these efforts because men do not yet love freedom; do not believe in it; do not understand its need or the grounds upon which it is necessary to preserve it."

But with regard to the remedy for this fundamental defect in human instinct—here is where even Angells fear to tread. On the whole, however, the general treatise is most carefully sustained. The book has all the clearness and saneness of the author's other works, and is characterized throughout by an eager readiness to "see the other side." The only acutely missed thing is an index.

LEO H. JOACHIM.

NEWS

Foreign

—On the 22d it was announced that a revolution had broken out in Turkey, a soviet government had been declared, and a Revolution Committee had been established at Constantinople.

—Brussels dispatches state that great loss of life among the natives of the Belgian Congo, as a result of an influenza epidemic, is reported. Some estimates place the number of deaths at 500,000.

—The Chinese Government has granted a charter to the China Development Bank, a Chinese-American concern. Many Shanghai merchants are supporting the undertaking, which represents a union of several previous efforts.

—Disorders in India, particularly in Lahore and the district north of Bombay, have led to the declaration of martial law in several localities. Gujerat, in the northern part of the Bombay Presidency, with a population of more than nine million, is the seat of widespread rebellion.

—The news that the union of Montenegro and Serbia, two nations of the same race, speaking the same language and professing the same orthodox religion, was finally accomplished, was telegraphed on the 28d by a special correspondent of the London *Daily News*, who was present at the last sitting of the Montenegrin Parliament.

—Swedish press reports received by the State Department say that at the next meeting of Scandinavian Ministers Finland and Iceland will be represented as well as Sweden, Norway and Denmark. The paper states that the invitation will be issued by the Swedish Government, as the meeting is to take place in Stockholm.

—In a recent speech in Parliament Sir Edward Carson spoke at length of "the disgraceful condition of education in Ireland." There were fifteen to twenty thousand children in Belfast alone who had no schools to go to. Such schools as there were were insanitary. The majority of children in Belfast passed into industry at the age of ten or eleven, and nobody objected, because it created vacancies in the schools.

—John H. Finley, head of the Red Cross Palestine Commission, who recently returned to this country after a second visit to Palestine, is responsible for the statement that sporadic massacres of Armenians by Turks and Arabs have taken place since the armistice was signed, and British and French troops have been stationed in hitherto Turkish territory to protect Armenian refugees against their oppressors.

—Construction of a new cable line across the Pacific to insure better communication between Japan and the United States was urged by speakers at a dinner given on the 24th by the American-Japan Society of Tokio. Viscount Kaneko said that America was the father of modern Japan. He urged that there should be another Pacific cable by way of the Aleutian Islands to insure quick communication and to remove the possibility of misunderstandings.

League of Nations

—Reports from Tokio show that the impression exists in well-informed Japanese circles that Japan will join the League of Nations even if the racial clause of the League Covenant is finally rejected by the Peace Conference.

—Appurtenances for an election, such as voting booths, lists and clerks, are all in readiness for an immediate plebiscite on the peace terms, which can be completed all over Germany in forty-eight hours, according to information from sources close to the Government.

—On the 22d the Supreme Economic Council at Paris authorized the announcement of the abolition of the blacklist, licensing and rationing systems as applied to neutrals, thereby crowning the consistent efforts of the American economic delegates since January for the removal of hampering war-time restrictions on trade.

—The revised Covenant of the League of Nations was adopted in the plenary session of the Peace Conference on the 28th, with no dissenting vote. Amendments offered by Japan for racial equality and by France for an international police force were withdrawn. It is understood they will be acted upon by the League of Nations itself.

—Headquarters in Washington of the American Agricultural Association made public on the 26th a message sent to President Wilson urging recognition of the provisional Lithuanian authorities as the *de facto* Government in territory within the boundaries of Lithuania at the time of the union with Poland two and a half centuries ago.

—Trial of the former German emperor for "a supreme offense against international morality and the sanctity of treaties" has been determined upon by the allied and associated Powers. Holland will be requested to surrender the royal refugee for arraignment before a court composed of five judges named by the United States, Great Britain, France, Italy and Japan.

—According to the report of the Commission on International Labor Legislation of the Peace Conference, the International Labor Office, to be established at the seat of the League of Nations, will be under the control of a governing body of twenty-four members. The function of the International Labor Office will include the collection and distribution of information on all subjects relating to the international adjustment of conditions of industrial life and labor.

—The withdrawal of the Italian legation from the Peace Conference was received in Vienna with elation, the people generally being glad to see the Allies in conflict with each other. The *Neue Freie*

Presse said, however: "President Wilson's position is based on the idea of right and justice, and it is hoped he will act in the same way toward Bohemia and Tyrol, where the people will be driven to desperation if subjected to Czech or Italian control."

—It is reported that the refusal of France to receive Alberto J. Pani as Minister from Mexico was caused by protests from French bankers against seizure of the French banks in Mexico by the Carranza Government. Carranza was much chagrined when Mexico was not invited to the conference of neutral nations in connection with the Peace Conference. It has been intimated to Mexico that she would not be given a place in the League of Nations until she had modified her policy in dealing with aliens and foreign investors.

Reconstruction

—Both the American and British Governments abolished on the 29th the trade black list established under the trading with the enemy laws of the two countries.

—The twenty-third annual meeting of the American Academy of Political and Social Sciences convened in Philadelphia on May 2d, to discuss a program of international reconstruction.

—The determination of the Shipping Board to cancel contracts for an additional 2,000,000 tons of steel ships contracted for during the war was announced on the 25th by Chairman Hurley.

—The Singletax League of Los Angeles, San Francisco, and San Diego, has issued a call to all Singletaxers to meet in convention May 8 and 9 at Fresno to form a State organization in California.

—An increase in the milling percentage, which will virtually put the world back to a war bread basis for the next three months, is part of the program adopted by the Supreme Food Council under the chairmanship of Herbert C. Hoover.

—Representative Royal C. Johnson of South Dakota in a telegram on the 28d to the American Bar Association's Committee on Investigation of Courts-martial warned them that their inquiry would be a farce if they did not call some Lieutenants or privates and make them immune from punishment for testimony and get their views.

—Senator Boies Penrose of Pennsylvania, who is to be Chairman of the Senate Committee on Finance in the next Congress, in the course of a speech he delivered on the 26th, forecast the return of a protective tariff for the protection of American industry, as well as a sweeping investigation by the new Congress of the war expenditures of the Government.

—Preliminary steps have been taken in Detroit, it has been announced by Mayor James Couzens in a movement to hold a world's peace exposition in Detroit in 1922 or 1923. Charles M. Schwab, according to Mayor Couzens, has consented to organize the corporation. Property that would serve for an exposition ground has already been tentatively selected.

—Postmaster-General Burleson has recommended to the President that the Government turn the cable lines back to their owners not later than May 10. He will recommend that the telegraph and telephone wires be returned to their owners "as soon as legislation can be secured from Congress safeguarding the interests of the owners." President Wilson, it is understood, will act promptly on the recommendations.

—Violence in the promotion of the nationalist movement in Egypt is deprecated by President Wilson and the United States in a note recognizing the British protectorate there, which was communicated on the 22d to General E. H. H. Allenby, Special High Commissioner for Egypt and the Sudan, by the United States Consul-General at Cairo. The note contained an assurance, however, that "the President and the American people are very sympathetic toward the legitimate aspirations of the Egyptians' desire for self-government."

—The radical difference of opinion that exists not only in military circles but among lawyers as to the present system of military justice was brought out sharply on the 28d before the committee of the American Bar Association in the conflicting views presented by Lieutenant Colonel Samuel T. Ansell of the regular army and Colonel John Wigmore, a temporary officer in the War Department, in civil life a lawyer and a most active defender of the present system. "The court-martial system does not need more law, but more facts," Colonel Wigmore asserted, urging that amendment of the present system to insure "perfectly fearless counsel for the accused" to bring out the facts would go far toward remedying such defects as had been disclosed.

—At the dinner at the Waldorf-Astoria on the 24th, concluding the annual meeting of the American Newspaper Publishers' Association, Secretary Lane declared, in referring to his plan for establishing soldiers on the land: "There are 250,000,000 acres of unused land in this country, and that includes large tracts in Wisconsin, Michigan, Maine, Minnesota, and the Southern coast States have 40,000,000 acres that are undeveloped, a crime against the world. Our proposition is to put the soldier out on this land, have him work his farm, build his house, pay him until he is on his feet, and then in forty years he can pay back Uncle Sam. We have planned the great enterprise to build settlements and have good roads radiating from them."

Suffrage

—The Connecticut Senate has rejected the bill permitting women to vote at Presidential elections by 19 to 16.

—Ten hours is to constitute a day's work for women in domestic service in California, according

to a bill which went to Governor Stephens on the 24th for his signature.

—Woman suffrage champions in the Florida House failed on the 22d to muster the necessary three-fifths vote to concur in the Senate resolution submitting a Suffrage amendment to the State Constitution at the next general election. A majority supported the resolution.

—The Senate of the Michigan Legislature has passed the Miles Bill, which provides that women be paid on the same basis as men. An amendment which exempted those engaged in agricultural work was stricken out and the measure is now in the hands of Governor Sleeper.

—The Women's Department of the Professional Division of the United States Employment Service, 469 Fifth Avenue, New York, is in a position to supply college graduates and other well trained women in business, science, household economics, social work, editorial work, and other special lines.

—A special membership drive to enlist the thousands of women workers at the United States Navy Yards and Arsenals has been undertaken as a result of conferences in Washington between officers of the National Federation of Federal Employes and the presidents of local unions at several of the arsenals and navy yards.

—Iowa, which has just enfranchised its women, is the twenty-ninth State in the Union to confer Presidential suffrage on women—fifteen of these are full suffrage States and two are primary suffrage States. It is the twelfth State in which the right to vote for President has been bestowed by legislative grant. The number of women twenty-one years of age and over affected by the legislative grants during the last three months is 4,350,000.

—In the New York Legislature Senator Abraham Kaplan introduced a bill, which now only needs Governor Smith's signature to become a law, providing for "segregation of certain females. Whenever in the city of New York any female or females are accused or convicted before a magistrate of any crime arising out of an industrial dispute, such females shall be segregated from the other inmates thereof in any jail, institution or prison to which they may be committed."

—A servant girl in Stockholm, the capital of Sweden, has just been elected alderman of that city. She enjoys the distinction of being the first domestic servant elected to a body corresponding to our city board of supervisors. She is said to be capable and to take her new dignity with becoming modesty. She will retain her position as maid with the family by whom she has been employed for a number of years. She was elected on a ballot system of proportional representation.

—Mr. Charles S. Moore, counselor-at-law of Atlantic City, writes to THE PUBLIC as follows anent a widely circulated news item of recent date: "In the interest of truth, permit me to say that this newspaper [the Atlantic City *Evening Union*] was not a failure under the women's management. Mr. Albert J. Feyl, who was manager of the *Union* and a morning newspaper for Governor Edge, says that he does not consider that 'the feminine staff made a failure of the venture.' Mr. Feyl is the president of the new company that has purchased all of Governor Edge's newspapers, including the *Evening Union*. He further says: 'As a matter of fact, I was business manager of the paper under the ownership of Governor Edge, and I can say that I found the editorial and reportorial work of the women staff most efficient and gratifying. In fact, under the new ownership the paper will retain some of the feminine staff in all departments—news, machine, mechanical and advertising.' Mr. Feyl explained that Governor Edge had turned the *Union* over to the Women's Suffrage Organization of New Jersey about six months ago for them to conduct as they saw fit in the interests of their movement. The new company, under Mr. Feyl, did not care to continue the paper as the organ of a particular group, hence the change."

Color Line

—A bill by Representative Coffey, Oregon, which would give equal rights to Negroes in public places, has been defeated, 28 to 21.

—Mayor Mollman was beaten by a 10,148 to 1,611 vote in the first election East St. Louis, Ill., has had under the commission form of government, which was adopted after the race riots of July, 1917.

—A report of the trial of eighteen persons indicted for the lynching of Will Byrd and Henry Whiteside, November 10-12, at Sheffield, Ala., states that the jury took only twenty minutes for the first acquittal; the second case was quickly disposed of, and the remaining sixteen persons were ordered dismissed by the court.

—Last spring W. M. Hubbard, who conducts a school for Negro children at Forsyth, Ga., allotted thirty-four boys from one to three acres of land, with the understanding that they were to be given the net proceeds from the crops grown. The receipts for farm products were $4,882; hogs, $483; campus, $217; a total of $5,582.

—Professor Alain Leroy Locke, of the Department of Education, Howard University, is the only American Negro who has won the Rhodes Scholarship to Oxford University. He holds the degrees of A.B., A.M., Ph.D. from Harvard University, Cambridge, Mass., and the degree of Litt.B. from Oxford University, England.

—The United States Department of Labor reports the migration of at least 200,000, and possibly 300,000, Negroes from the South to the North during wartime. Among the causes reported are dissatisfaction with conditions, the boll-weevil, floods, changes of crop system, low wages, poor housing and schools, unfairness in court proceedings, lynchings, desire to travel, and the influence of the Negro press.

—With the active support of colored educators and organizations for the betterment of the race, the United States Public Health Service has just launched a comprehensive campaign for the eradication of venereal diseases in colored communities. Dr. C. V. Roman, prominent colored physician, who did effective work in the venereal disease fight among colored soldiers during the war, has mapped out a campaign to organize certain Southern communities where need is greatest.

Proportional Representation

—Proportional representation was accepted as the foundation of electoral reform for France by the Chamber of Deputies on April 9th. The vote was 285 to 201. Proportional representation had been one of the leading political issues in France for several years before the outbreak of the war.

—An inquiry was recently instituted in Ashtabula, Ohio, to learn the present views of some of the citizens in regard to the Hare system of election. Among those who replied expressing their strong approval of the Hare method, now that two elections have been held under it, were leading citizens who opposed its introduction.

—Extraordinary interest has been shown, in Great Britain as well as in Ireland, in the outcome of the recent municipal election in Sligo, Ireland, which was carried out under the Hare system of proportional representation. The fact that all parties secured their fair share of the seats, elected their leading men, and were *satisfied with the result* —a surprising outcome for the Ireland of today— naturally suggested the extension of the system to other Irish communities. On February 25th, when a deputation representing the Municipal Association of Ireland waited upon the Irish Secretary, Mr. Jan Macpherson, and asked for the Government's views on the subject, he replied: "We have come to the conclusion . . . that we should extend the principle of proportional representation to all local elections. We are having a Bill drafted at the present moment to secure this.

Labor

—On the 22d the French Senate passed the eight-hour Labor Bill, which now becomes a law.

—Long hours, low wages, and poor working conditions have awakened drug clerks in Detroit, Mich., to the necessity for trade union methods and they have organized.

—The strike which had been in progress in Limerick for some time was called off on the 24th, the military authorities having made slight concessions to the strikers at the request of the Mayor and the Bishop of Limerick.

—Three hundred employes of the Liggett & Myers branch tobacco factory joined the Tobacco Workers' union and struck to enforce an eight-hour day. The net earnings of this concern last year were over $10,000,000, an increase of $1,000,000 over the previous year.

—Bishops of all Catholic dioceses and 11,000 priests have been asked by the National Catholic War Council to observe Sunday, May 4, as "employment Sunday" and to urge their congregations to assist in securing employment for discharged soldiers and sailors.

—The movement for the shorter working day continues in England, and numerous trade union agreements calling for forty-four and forty-eight hour weeks are reported daily. The State Department reports consular advices from Holland and Peru announcing legislation establishing the eight-hour day for public employes in those countries.

—Government reports indicate continuous improvements in the employment situation. The number of unemployed seems to have been decreased by approximately 50 per cent. since April 1st. In many of the Ohio centers where this condition was most serious the entire surplus seems to have been absorbed. The most serious area at present is New England.

—The New York *Call* publishes a telegram stating that sixteen girls had been arrested and imprisoned in Philadelphia for distributing a circular calling upon the workers of the city to lay down their tools on May Day. The arrests took place near the Baldwin Locomotive Works, and are believed to have been instigated by those interested in keeping the factory at full speed on May 1st.

—Federal supervision of child labor, abolished when the Supreme Court last year declared unconstitutional the existing Child Labor law, was reestablished on the 22d under regulations issued by the Internal Revenue Bureau putting into effect the new revenue act's tax on child labor products. The law levies a tax of 10 per cent. on net profits of any concern employing children under the specified ages.

—The New York *Times* German correspondent asserts that the German Government contemplates submitting a bill prohibiting any kind of a strike until all other means of settling a labor dispute have been exhausted. This measure has been advised by the highest economic authorities, who have told the Government that German industry, indeed, Germany's whole existence, is doomed unless the present strike epidemic ceases at once.

—The Department of Labor is preparing two bulletins on international labor legislation. One, a historical account of the movement, is the reproduction of all the treaties and an analysis of their terms; the other is a critical statement of existing labor standards, as well as international labor standards and proposals for international standards, offered for adoption as part of the Constitution of the League of Nations.

—Eleven hundred employes in the case and can department of the Standard Oil Company of New Jersey, without "acceleration" of any sort on the

part of the company and wholly on their own initiative, have increased their own efficiency more than 10 per cent. During the year eighty joint conferences between the workers and the management have been held, where representatives of the men sat in the conference under the company's industrial representation plan. One hundred and nineteen matters were discussed and settled amicably. The wage decisions, in which the wage earners themselves participated, increased the annual payroll of the company by approximately $5,000,000. Thirty-nine employes were retired on annuities averaging $89 per month under the pension plan. Under the group insurance plan, by which the workers receive insurance without cost to themselves, 9,251 employes have been insured for a total of $9,188,000.

Public Welfare

—Sir Auckland Geddes has made the statement that the British Government intends by successive stages to take over all hospitals within the next forty years. St. George's, London, will be the first.

—The Legislature of Rhode Island on the 23d passed a bill declaring beer containing not over 4 per cent. of alcohol a non-intoxicant. The action was in concurrence with the Senate.

—On the 23d George Henry Rappael, a Northern Pacific locomotive fireman, was denied American citizenship by Judge A. T. Cole of the District Court when Rappael admitted that he was a member of the Industrial Workers of the World " and similar organizations."

—Cornelius N. Bliss, Jr., President of the Association for Improving the Condition of the Poor, has informed the Board of Education of New York that the New York Lunch Committee would discontinue providing school lunches at the end of this school year, and expressed the opinion that the Board of Education should take the work over.

—Thirty-seven neighborhood houses of New York, including the College, Henry Street, Union, and University Settlements, Greenwich House, Madison House, and the Hudson Guild, have formed a union to act for all of them and to increase their influence. It will be known as the United Neighborhood Houses of New York.

—Finding it impossible to maintain I. W. W. offices in Spokane, Wash., owing to action by the Legislature and by the city commissioners outlawing the organization, the Bolshevist element in this order, as well as in the Socialist, non-partisan, and other similar orders, has recently organized the " League for Democracy at Home."

—Portland, Oregon, has launched a campaign to keep the city one of the cleanest from a standpoint of venereal diseases in America, a record established when hundreds of her young men were drafted for army service. The city authorities have passed an ordinance to impose a fine of $250 on a physician who fails to report a case of venereal disease to the city board of health.

—The education committee of the Brooklyn Chamber of Commerce has appealed to the Board of Education for an allotment of $400,000 for shops and equipment necessary to the continuance of the technical course for boys in the Manual Training High School. The demand in Brooklyn industries for employes with preliminary technical training is large and not met at the present time, it is urged.

—During the war London and other cities in Great Britain successfully operated Government kitchens in the poorer quarters. Glasgow is about to launch into the enterprise of a kitchen that will provide 2,000 portions each meal, to be served at noon and in the evening. Food will be supplied at the lowest possible price, but on a paying basis. The cooks will be trained and the aim is to raise the level as well as lower the cost of living. The Glasgow experiment is but the first of the kitchens to be established by the Corporation Committee for National Kitchens.

—Birth control is preferable to emigration when a nation becomes overcrowded, in the opinion of Dr. C. Killick Millard, Medical Officer of Health for Leicester, England. He advanced arguments for his statement at a sitting of the National Birth Rate Commission. " I decline to see that a man should be accused of failing in his duty, if he declined to have children merely for the sake of emigrating them to the Antipodes," says the doctor. Out of 80 replies to a questionnaire he has sent out to medical men, the doctor is convinced that the majority do not regard birth control as necessarily injurious.