

Dunne has unearthed an interesting scheme for defrauding the city. He brought it to the attention of the City Council on the 18th, through a message in which he showed that the Universal Gas Company (a long-ago forgotten company) had been granted a franchise in 1894 providing—

that consumers be charged no more than \$1 per thousand cubic feet for gas, and that 10 per cent of the gross receipts be paid to the city; that when the company reduced the price of gas to 90 cents per thousand feet, the company would be absolved from its obligation to pay any portion of its gross income to the city; that the City of Chicago was to be a special consumer and gas was to be furnished to it at 75 cents; that if the company should, either directly or indirectly, enter into any combination with any other gas company concerning the price to be charged for gas, its rights under the ordinance should be forfeited and its plant become the property of the city.

Proceeding, the Mayor's message declared that—

this company supplies one-fourth of the gas consumed in Chicago. It has been selling its output at the uniform rate of \$1 per 1,000 cubic feet, and the compensation due the city amounts to more than \$1,000 a day. For the purpose of depriving the city of its just revenue from gas, the Universal company entered into an agreement with the People's Gas Light & Coke Company, by the terms of which the Universal company sells practically all its gas to the People's company for less than 90 cents and the People's company in turn sells its gas to consumers at \$1. The Universal company claims that, having sold its gas at less than 90 cents, it is not obliged, under the terms of the ordinance, to pay anything to the city. The fact that the People's company is now practically the owner of the Universal company shows that this arrangement is a mere subterfuge for the purpose of evading the payment of the compensation to the city under the terms of the Universal company's ordinance.

The Mayor therefore urged that an ordinance be passed forfeiting the right of the company to do further business under the ordinances and authorizing suits brought to recover money due the city and to acquire the company's plant and mains. The ordinance submitted by the Mayor was referred to the gas committee.

The New York gas question.

Forced finally to furnish New York city with an estimate of the

cost of gas after deducting \$1,114,236 for the contingent and depreciation fund and \$936,833 for fixed charges from the total cost of production in the year ending October 31, the Consolidated Gas Co., through Robert A. Carter, its secretary, reported on the 20th. It puts the cost per 1,000 cubic feet of its product at between 56 and 57 cents. The Consolidated holds that the two items should be included in the cost of production, and on that basis computes the cost of 1,000 feet to be over 70 cents.

A sensational bank failure.

Financial circles have been disturbed by the failure of three great banking institutions of Chicago—the Chicago National Bank, the Equitable Trust Co., and the Home Savings Bank—all controlled by John R. Walsh, the proprietor of the Chicago Chronicle and a man of the highest standing, financially, in Chicago. The first announcement was made at a four-o'clock-in-the-morning extra of the Chicago Tribune on the 18th. The Clearing House explained authoritatively during the day that the difficulty with these three institutions had been that—their investments have been made in assets connected with the railway and coal enterprises of John R. Walsh. These assets were not immediately available to meet deposits and have been taken over on terms which will enable the three institutions to pay their depositors in full.

In the same circular the Clearing House stated that—

after a thorough and careful examination of their affairs by the Chicago Clearing-house banks, all of the depositors of these institutions will be paid in full upon demand, the Chicago Clearing-house banks having pledged themselves to this result, thus putting all the resources of the Chicago banks behind the depositors of these three institutions.

Mr. Walsh and his coadjutors resigned and other officers were installed.

Mr. Walsh is a director in the following institutions:

Chicago National bank; Akron Gas company; Audit Company of Illinois; Bedford Quarries company; Chicago Auditorium association; Chicago Safe Deposit company; Equitable Trust company; Home Savings bank; Illinois Southern Railway company;

North Shore Electric company; Northwestern Gas Light and Coke company; Ogden Gas company; Rand, McNally & Co.; Southern Indiana Express company; Southern Indiana Railway company.

He has long been a financial politician, acting as a Democrat in conjunction with Fred M. Blount (his chief assistant in banking), a Republican, and thereby securing enormous deposits of public moneys for his banking institutions. As two of these were State and one a national institution, the officers managed to deceive the examiners by shifting unmarketable securities back and forth as examinations were made by the national and the State examiners respectively. The climax came when the national and the State examiners recently made their examinations simultaneously. There are intimations of criminal prosecutions.

The full financial significance of this crash is known only to men on the inside of matters financial. It may signify a general crash in the near future; or, it may be only a sporadic instance due to the crimes of a particular coterie, and therefore of no widespread financial importance. Bankers make the latter explanation. This would be amply reassuring were it not for the fact that bankers never admit impending disaster, lest they may thereby destroy confidence. Thomas W. Lawson, who is "bearing" the market with his fortune at stake, but whose exposures of highly reputable financiers have been verified in the past, insists that the failure of the Walsh banks signifies the crumbling of the whole financial edifice. In a published telegram of the 18th he said:

Day before yesterday it was Milwaukee, yesterday Kansas City, to-day Chicago, to-morrow Philadelphia, Baltimore, New Orleans, Boston or what particular city I cannot say. But there will be a to-morrow and it will be similar to yesterday and to-day, only more similar. Then there will be a day after to-morrow. That will be New York, and when that day comes clearing houses will do no good. The handwriting is on the wall, the sword is suspended, and it is only a question of how many days clearing house guarantees and other artificial machinery can stave off the inevitable. I can only repeat what I have been saying: The entire corporation and banking system of

the country is stilted; the stilts are rotten, at the ends and in the middle, and the structure will, as sure as night follows day, collapse. If it dribbles along in Milwaukee, Kansas City and Chicago style so much the better, but I am afraid dribblings are nearly over.

NEWS NOTES

—The Supreme Court of Illinois has affirmed the conviction of Johann Hoch (p. 273), and condemned him to death on February 23d.

—The anthracite coal miners' convention began its sessions at Shamokin, Pa., on the 15th with 700 delegates present and President John Mitchell in the chair.

—The Chicago charter convention (p. 596) reassembled on the 19th and after informally considering the report of the committee on procedure, adjourned to the 4th.

—Daniel C. Gilman, of Baltimore, was reelected president of the National Civil Service Reform league, which closed its annual convention at Milwaukee on the 15th.

—Abe H. Hummel, a noted criminal lawyer of New York for many years, and of the old firm of Howe & Hummel, was convicted on the 20th of conspiracy and sentenced to a fine of \$500 and one year's imprisonment—the maximum penalty. He is on bail pending appeal.

—The Italian ministry resigned on the 17th, following a debate on reducing the duty on Spanish wines, the cabinet opposing the reduction. A vote of confidence in the ministry was taken in the midst of the debate and was lost by 63 to 162. The ministry then resigned.

—Daniel Garrigan was sentenced on the 20th by Judge Kohlsaat, of the Federal Court at Chicago, to three months' imprisonment for contempt of an injunction in the teamsters' strike (p. 279) of last Spring. The specific act of which he was convicted by Judge Kohlsaat was riot and assault.

PRESS OPINIONS

FOLK AND FRANCHISES.

The (St. Louis) Mirror (Ind.), by William Marlon Reedy, editor, Oct. 26.—To my thinking, Folk as a reformer is only an emotional revivalist. He doesn't get down to the foundations of social wrong. As far as he goes, he is right enough, but he is just the man about whom, at a crisis, privilege can rally with the false cry that the system is all right if only administered by honest men. This is wrong, for the system depraves the men. . . . Folk will go far on his compromise with the system. . . . He will dodge the truth that the great wrong which permeates this country is the farming out of governmental functions to fictitious creatures of government—the corporations. And back of this lies the great proposition of salvation which all the reformers evade—that the few are aggrandized at the expense of the

many by the disinheritance of the multitude, for whom the earth was made, through the monopolization and forestalling of the land and its products by those few. Mr. Folk lets his thinking play only upon the surface of conditions. His plea for honesty is all well enough, but it doesn't go deep enough. The essential dishonesty is in the fact that men are made dishonest by the principle of unrestricted private ownership of the earth, which carries with it the ownership of the men who live upon it. Break up the hold of the corporations on the land and the exploitation of man by men, will cease. Destroy the privileges and franchises—all of them based on monopolization of land values created by the people who live upon the land—and the chief compelling necessity to dishonesty will be destroyed. Maybe though, Folk's plea for honesty can make men honest enough to destroy it.

THE NEGRO QUESTION.

The (St. Louis) Mirror (Ind.), Aug. 24.—Negrophobia is the hysteria of a decadent aristocracy. There is need neither to love nor hate the Negro, but we should be fair and just towards him. If we ask the Negrophile if he'd have his sister or daughter marry a black man, may we not ask the Negrophobe if Christ did not die for the black as for the white man?

The Milwaukee Daily News (Dem.), Aug. 26.—The Negro has stood the bourbon Democrats well in hand. Whenever effort has been made to free Southern States from ring rule or corporate domination "the nigger" has been trotted out as a bugbear to frighten the simpleminded. If the people of the South are content with that sort of thing, the rest of the country as a whole has little reason to object. But when "the nigger" is brought forward to obstruct national policies, the country as a whole is concerned. Nothing could be better calculated to isolate the South from sympathy with the country at large than to permit itself to be used as an instrument by its bourbons and shifty politicians in league with great corporate interests to obstruct legislation designed to restrain the greed of organized wealth.

Manchester (Eng.) Guardian (Lib.), Sept. 4.—One of our dearest illusions, the belief in the inherent superiority of race and color, has recently suffered considerably in the Far East; and now, unconsciously and inadvertently, the "Contemporary Review" deals it yet another blow. Two articles in the September number discuss, in complete independence, somewhat similar topics from different standpoints—Principal Lindsay writes historically of religious revivals; Mr. Davenport analyses the religion of the American Negro—and it is interesting to see how far a comparison of Mr. Davenport's analysis with Principal Lindsay's history supports Mr. Davenport's dictum that in the Negro people we have a child race. . . . Each and every one of the phenomena which Mr. Davenport notes as primitive and peculiar has characterized religious revivals from the days of the early Church till the twentieth century. . . . However these things be interpreted—one moral seems inevitable: that the attempt to ascribe inferiority to the Negro on the ground of his religion has broken down.

Uncle John—My goodness, Tommy; you eat an awful lot for such a little fellow.

Tommy—I spect I aren't so little as I looks from the outside.—Woman's Home Companion.

IN CONGRESS.

This report is an abstract of the Congressional Record, the official report of Congressional proceedings. It includes all matters of general interest, and closes with the last issue of the Record at hand upon going to press. Page references are to the pages of Vol. 40 of that publication.

Washington, Dec. 11-16, 1095.

Senate.

The Panama canal appropriation bill was referred to the committee on appropriations (p. 259) on the 11th. No business of general interest was done on the 12th. On the 13th the Panama canal appropriation bill was reported back (p. 309) with amendments and placed on the calendar (p. 310). It was discussed on the 14th (p. 352), 15th (p. 395) and 16th (p. 449), and on the latter day (p. 466) it was with amendments adopted.

House.

No business of general interest was done on the 11th, and on the 12th the House was not in session (p. 296). On the 13th the subject of the distribution of the President's message among the committees (p. 320) was under consideration. This business was continued on the 14th (p. 369), 15th (p. 414) and 16th (p. 469).

Record Notes.—Tillman's railroad rate bill (p. 243). Panama canal appropriation bill (p. 249). Text of sanitary convention with southern republics (p. 313). Senator Stone on discriminations in postage privileges for periodicals (p. 393). Bourke Cockran on insurance abuses (p. 437).

MISCELLANY

A CRY FROM THE GHETTO.

The roaring of the wheels has filled my ears,

The clashing and the clamor shut me in;
My self, my soul, in chaos disappears,
I cannot think or feel amid the din.

Tolling and tolling and tolling—endless toll.

For whom? For what? Why should the work be done?

I do not ask, or know. I only toll.

I work until the day and night are one.

The clock above me ticks away the day.

Its hands are spinning, spinning, like the wheels.

It cannot sleep or for a moment stay.

It is a thing like me, and does not feel.

It throbs as though my heart were beating there—

A heart? My heart? I know not what it means.

The clock ticks, and below we strive and stare,

And so we lose the hour. We are machines.

Noon calls a truce, an ending to the sound,

As if a battle had one moment stayed—

A bloody field! The dead lie all around;

Their wounds cry out until I grow afraid.

It comes—the signal! See, the dead men rise,

They fight again, amid the roar they fight,
Blindly, and knowing not for whom, or why,

They fight, they fall, they sink into the night.

—Translated from the Yiddish of Morris Rosenfeld by J. W. Linn.

RIISING IN THE WORLD.

THE FIRST RUNG.

Forty dollars a month. Hard work,