

servile and take dictation from them. That his going upon the bench at what is commonly regarded as a great pecuniary sacrifice, is genuinely in furtherance of a sincere ambition to serve higher interests than the plutocratic schemes for which corporations are a mask, there are many good reasons for believing. Whoever reads Mr. Dill's recent oration at Oberlin, will have no difficulty in detecting in it a true note. While Mr. Dill has had much to do professionally in the interest of corporations and trusts, he seems to have grasped the fundamental truth that trusts depend not upon mere organization, but upon monopoly already established; and his attitude toward these privileges has not been especially friendly. It is hardly probable that Mr. Dill while on the bench will be able to exert any influence against privileges firmly imbedded in the law; but in dealing with the development of newer ones, he may prove his essential democracy sufficiently to commend him to the people as a champion of their rights in another than the judicial arena.

#### Secession versus imperialism.

To those who have fondly believed that the war for the Union was patriotic and its resulting emancipation of slaves a religious achievement, our comment upon it in connection with the Scandinavian situation (p. 193), may very likely have come with a shock. But the thought is well worth considering that our war probably freed the slaves only a little sooner than the advancing economic forces would have done it had the two sections peaceably separated, and that its most notable outcome is the career of imperialism upon which it has launched us.

We were little federated States then, working out the principles of freedom; we are a nation with a big N now, working out, as Rome did, the doctrines of imperialism, and possibly to the same disastrous end. True indeed is it that

it is little countries and not big ones that give the world big men and big principles. It was little Judea, not big Egypt, that gave us the great prophets. It was Greece, not Persia, that gave us the great philosophers. Little England gave us great principles of citizenship, and little Switzerland towers higher in her manhood than in her mountains. We had much of goodness and true greatness to expect of the little States, even if they had broken the links of federation, which we cannot hope for from the powerful and correspondingly autocratic centralized government that we are now erecting. As to the slave of the South, whoever understands economic forces realizes that he would have been freed by them ere now; and whoever knows the old Southern character can hardly doubt that both races would in freedom have been nearer to an equality if the States had not been coerced by war and the slaves freed by an invader.

We of the North are too much disposed to think of the Southern soldier as fighting for slavery. He no more fought for slavery than the Northern soldier fought against it. Slavery was accidentally a concrete cause of the quarrel; but what the Northern soldier fought for was the Union, and what the Southern soldier fought for was the liberty of his State. Defeated in that struggle and bound to their sister States by an imperialistic tie, the new generation of the South has changed in character from the old. Innate love of liberty has been swept away from the new South, and a mad desire for wealth, coupled with an increasing instead of diminishing indifference to the rights of others, has taken its place in the South as in the North. The young Southerner celebrates the patriotism of his Confederate father, and we along with him of our Revolutionary grandsires; but neither section seems to care for the spirit of liberty which once animated both. With the end of the Civil War, State lines began to fade and im-

perialism to loom up, no bigger than a man's hand at first but of truly imperial dimensions now. Of course the Civil War and its results are unalterable facts; but it behooves those of us who believe that with the aid of the history of the past we see somewhat into the future, to keep before our fellows this truth: Governments in and of themselves are nothing; it is only as they affect the development of humanity that they are to be considered. If in our vanity we admire our strong and strenuous government as it influences the grand politics of the world, let us not be blind to the fact that it may at some time undermine the integrity of our citizenship and subject our people to the fate of all the democracies that have tried to realize dreams of empire. There is such a thing as liberty, and such a thing as power, but they are not of the same household.

#### MAYOR DUNNE'S TRACTION POLICY.

The eagerness and unanimity with which the traction-franchise press and other agencies of the traction corporations have "jumped on" Mayor Dunne's so-called "contract" plan for financing and immediately establishing municipal ownership and operation of the traction service (pp. 215-216), is prima facie proof of the excellence of the plan for its avowed purpose.

This proof is corroborated by the trivial character of the objections they put forward, by their assertions that the plan is the same in principle though worse in detail than the "tentative ordinance," and by their transparent pretense that Mayor Dunne has receded from his policy of immediate municipal ownership and operation as impracticable.

From their weakest objection to their unconcealed demands for the restoration of the "tentative ordinance," their method of attack is a demonstration of their bad faith. Under pretense of criticizing a particular plan for securing municipal ownership, they are trying to obstruct all plans for that object, in the evident hope of perpetuating ownership and op-

eration by stock-jobbing corporations.

They denounce the Dunne plan and urge the "tentative ordinance" plan because these plans represent respectively municipal ownership and corporation ownership. That is the difference in essential principle between the two.

The "tentative ordinance," while in mere name a municipal ownership plan, is in principle and almost inevitable effect a perpetual corporation franchise plan. On the other hand, Mayor Dunne's "contract plan," while in mere name a corporation franchise plan, is in principle and effect an immediate municipal ownership and operation plan. Anyone who is learned enough to read English, and mature enough to distinguish similarity of names from identity of things, can see that this is so by reading both plans. Possessing those qualifications, the franchise grabbers make this distinction, and therefore their corrupt agents and their more or less honest sympathizers, whether of the press or the board of aldermen or the party organizations, while advancing at random every objection to the Dunne "contract plan" that occurs to them, all agree with significant unanimity in urging the fraudulent and discredited "tentative ordinance" again upon the people of Chicago. They want the "tentative ordinance" because it would be a practical guarantee against municipal ownership.

Mayor Dunne's "contract plan" is a simple and effective method of establishing municipal ownership and operation of the traction service, not only ultimately, but immediately.

It would place over 100 miles of trackage at once under the control of the city—as much under its control as if the proposed financing and operating company were a bureau of the city government instead of a trustee corporation. Within two years it would place at least 150 additional miles of trackage similarly under city control, and within seven years it would place under such control a large majority of the whole trackage of the city. All this without litigation; for as to that trackage every private franchise claimed by the corporations has either ex-

pired or is to expire during the next seven years.

Meanwhile, the Dunne plan would every day lessen the appraisable value of all withheld trackage, thereby diminishing the financial difficulties in condemnation proceedings and stimulating a desire on the part of the traction grabbers to sell their plants at a reasonable value and their fraudulent franchise claims for whatever the city might consider it fair to offer. And while the trustee corporation, subject at every important step to the approval of the City Council, just as a bureau would be, was financing, constructing and operating the system, the quo warranto proceedings for ousting the 99-year-claim, the referendum and court proceedings for authorizing and validating Mueller law certificates, the referendum proceedings for municipal operation, and all steps for securing any new legislation that might be deemed necessary, could be under way. Meanwhile, also, the trustee company would be creating, out of the profits of operation, a sinking fund for final purchase. And along with all the rest, the city would have the right, not problematically in 13 years either more or less, but at any moment after complying with the requirements of the municipal ownership law, and simply by paying off the actual necessary cost of the system, with 5 per cent. interest, to transfer the management of the system, from the trustee company to a city bureau.

Except as to this capital cost and its annual 5 per cent., no person or corporation would acquire, in the slightest degree, any vested interest whatever. Not only would the system be from the start owned and operated by the city through a trustee company, but that trustee company could not by any legal possibility acquire in the property (except as to the authorized cost and interest), any vested rights. There would be nothing to prevent an instant change from indirect operation by the city through a trustee company, to direct operation by the city through city officials. In granting a franchise to the trustee company upon those terms, the city would in effect be granting the franchise to itself, subject only to repayment of the actual

cost of rehabilitation.

To say that such a plan is a recession from the immediate municipal ownership policy is to make a play upon words.

A similar play upon words has been made by some of the traction-franchise press with reference to the third question of the traction referendum (p. 8) of last Spring.

That question read as follows:

Shall the City Council pass any ordinance granting a franchise to any street railway company?

As the vote was only 55,660 in the affirmative to 141,518 in the negative—an adverse majority of 85,858,—the result seems on its face to be an overwhelming condemnation in advance of Mayor Dunne's plan. But this is so only when that one question is wrested from its context.

There were three questions, not merely that one, voted on at the Spring election, and all bore upon one subject and were interrelated. They presented different phases of a single question—the policy of creating private vested interests, for traction purposes, in the streets of Chicago—and all were negatived together.

The City Council and the then Mayor (Harrison) had been committed to the adoption of the "tentative ordinance." This ordinance proposed for one of the street car companies—the Chicago City Railway Company—a private vested-interest franchise for from 13 to 20 years. Under its provisions the city was to have the right, at the end of either period, to take over the property, but upon terms practically prohibitive and calculated to perpetuate the policy of private franchises. It was to this specific ordinance that the first question in the referendum referred, and the ordinance was condemned by 140,049 to 60,136—a majority of 79,913.

But the citizens opposing that ordinance had not regarded it as safe to ask the popular condemnation of that particular measure merely. They knew they were dealing with pettifoggers, who need only ambiguous words in order to play at making profound arguments. Although the people might condemn this particular franchise for the Chicago City Railway Company, the traction-franchise newspapers and alder-

men might nevertheless excuse the adoption of the same kind of franchise but with minor alterations. So a second question was submitted with the first. By their vote on this question the people were asked to say whether the City Council should pass "any ordinance granting a franchise to the Chicago City Railway Company." They responded in the negative with a majority of 82,265—a vote of 139,416 to 51,151.

But still there might be room for pettifogging. Though the people were to vote overwhelmingly, as they did, against granting that particular traction franchise to the Chicago City Railway Company, and against granting any other franchise to that particular company, yet the traction interests might secure such a traction franchise for the Union Traction Company, or for one of its underlying companies, or for a new company organized for the purpose of consolidating all the traction companies of the city. To head off the pettifogging rascals here, the third question was added, whereby the people were asked to say whether the Council should pass "any ordinance granting a franchise to any street railroad company." To that question also the people responded in the negative as stated above.

These are the facts as they were well known at the time; and they clearly show that the Dunne "contract plan" is not at variance with the popular vote on the third question. Not only do these well known facts necessitate that inference, but upon all the approved principles of interpreting intent the same inference is the only possible one.

The three questions were essentially one question, namely, Shall the City Council grant to any corporation, any private profit-making and vested-interest creating traction franchise, such as that of the "tentative ordinance"? It was to this proposition that the people responded with an emphatic negative. They did not negative the principle of the "contract plan" which Mayor Dunne now proposes. That is a plan which creates no vested interest and provides for no profit-making exploitation of the streets. It simply places in the

hands of a trustee company, to be organized and controlled by the City Council, so much of the trackage of the city as is now or may become free of private franchise claims; and it does this for the clearly defined purpose of having such company, as trustee for the city, immediately acquire, finance and rehabilitate such trackage, and manage the same as a traction system during the interval necessary for perfecting the preliminaries required for empowering the city to own and operate directly in its own name. In its details, the ordinance may require alteration; but in its principle, it is unassailable from the standpoint of immediate municipal ownership and operation of the Chicago traction service. A franchise plan only nominally, it is in purpose and effect a system of immediate municipal ownership and operation—indirectly through trustees in its inception; but directly by the city and without the intervention of trustees the instant the city, after complying with the legal prerequisites to municipal ownership and operation, decides to dispense with the trustees and substitute a municipal traction bureau.

Akin to the objection to Mayor Dunne's "contract plan" for immediate municipal ownership and operation,—the objection, namely, that it is in conflict with one of the referendum questions of last Spring—is the objection that it is in reversal of the plans advocated by Dunne in his campaign. He is ignorantly or maliciously said to have abandoned those plans. But so far from being an abandonment or in the slightest degree a variation from his campaign policy, this plan is directly in pursuance of that policy, as may readily be seen by reference to the circumstances and declarations of the campaign.

The campaign began with Judge Tuley's condemnation in August last (vol. vii, p. 343) of the "tentative ordinance." He condemned that ordinance because it destroyed hope of municipal ownership. His reasons for this characterization he gave in detail. Judge Dunne followed Judge Tuley's letter with a speech (vol. vii, p. 357) in which he took the same ground for similar reasons, and advanced

other reasons. In January the campaign was quickened and the canvass begun by Judge Tuley, who, in another letter (vol. vii, p. 670), called for the nomination and election of Dunne as a man—thoroughly known by all to be unquestionably opposed to any compromise "settlement" involving franchise extensions; to be in favor of municipal ownership; to be in favor of it as soon as it can be secured, without any dilly-dally diplomacy with traction magnates.

When the Committee of One Hundred waited upon Judge Dunne to urge him to respond to Judge Tuley's call (vol. vii, p. 697), the point they laid stress upon was the fact that in their belief—

the present contest will not be a contest between the Republican and Democratic candidates for mayor, but between the citizens of Chicago and J. Pierpont Morgan and his satellites. It is the purpose of the latter to exploit stocks and bonds to be paid for by years of toil and servitude by the people of this city, and to frustrate the efforts of the citizens of Chicago to control their own streets and operate their business for themselves.

When Judge Dunne responded in an open letter (vol. vii, p. 734), to this and other addresses, he said with reference to the early settlement of the traction question:

No further street franchises for corporate manipulation and profit ought or need be made. Immediate municipal ownership, in the sense of immediate proceedings leading to early success, is entirely feasible.

Thus far there is nothing to indicate a policy or plan essentially different from that of the "contract plan"—for which "trustee plan," would be a more accurate name—now proposed by Mayor Dunne.

Proceeding then to the party platform (vol. vii, p. 759), we find nothing at variance with this plan; but we do find a demand clearly favoring franchises in furtherance of such a plan as against franchises which, like that of the "tentative ordinance," would enrich and give power to stock-jobbing corporations. After denouncing the local transportation committee for "preparing to deliver franchises to the companies, by which seven-eighths of the net profits of the enterprise shall be retained by the street railroad companies," and by which the right of the city to

use its streets for traction purposes would be barred "for an indefinite term of years if not forever," the platform demands that—

no grants that would prevent the city from at once owning and operating the street car lines shall be made to these or any other companies.

The recognition of grants that would not "prevent the city from at once owning and operating" is here most obvious.

In the same spirit of recognition of the possible necessity of having recourse to some such plan as that now proposed by the Mayor,—a plan providing for grants that would not prevent the city from at once owning and operating—the platform also declared that the plan would—

resist to the utmost the manifest intention of the Republican party, and certain traction-controlled newspapers, to fasten upon the people of this city the so-called tentative ordinance, or any other ordinance taking the management, control and operation of the street car companies out of the hands of the people.

And in its specific enumeration of the points of its traction policy, when providing for operation pending the full acquisition by the city of the street car franchises, this platform named as a method not only "the police power," but—

other legal authority, to license the operation of the street railways as their street franchises expire, and continue so to license them until municipal ownership can be secured.

In all this platform there is not only nothing at variance with the "contract plan" now under consideration, but everything to justify the adoption of that plan.

What is the essential difference, for instance, between, on the one hand, licensing operation pending full acquisition of ownership by the city, and, on the other, organizing a corporation to acquire and operate as trustee for the city pending such acquisition? None that is inconsistent with Dunne's campaign policy. "Licensee" from time to time, or "trustee" at the will of the city, there is no difference which does not show the trusteeship to be the more favorable to the interests of the policy of municipal ownership and operation.

And now we come to Judge Dunne's speech of acceptance (vol.

vii, p. 760), which is absolutely conclusive. We cordially commend it to all those cavillers who, in their eagerness to restore the "tentative ordinance," are crying out that Dunne has receded from his immediate ownership policy. In that speech Dunne was so minute and definite on this point, that he almost outlined the specifications for his present "contract plan." After discussing the different possible methods for securing immediate ownership and operation, he said:

There are other ways outside of the issuance of the Mueller bill certificates under which the city could provide means for the purchase of the present street car system or for the building and equipment of new ones. If the city were to offer to a syndicate of capitalists a lease of the car system of the city, providing the syndicate would furnish ready capital for the purchase price of the same, under the terms of which lease the syndicate so furnishing such money should retain and operate such roads under lease by the terms of which they should, first, pay themselves five per cent. upon the money invested and, secondly, provide a sinking fund for the payment of the capital invested, and, thirdly, pay reasonable compensation to the managers of the street car system leased by such a syndicate while operating the property, and after the payment of said liabilities then turn over to the city of Chicago the road free and clear from liabilities, I have no reasonable doubt that wise and prudent financiers would regard such a lease, terminable only at the time when they received their capital and interest at five per cent., as adequate security for the investment. But if a syndicate of capitalists would not be willing to do this there is no question in my mind that if such a lease were tendered to a corporation organized for the purpose of leasing and operating the street car system of the city of Chicago under such an arrangement upon the understanding that the management of the same was to be placed in the hands of competent railway men at decent remuneration, the depositors in the savings banks of Chicago who are drawing but three per cent. interest on their investment would be very glad to back any company organized for such a purpose and under such a management, and exchange their deposits for stock, bearing five per cent. interest.

In his "contract plan," which the traction-franchise touters speak of as an abandonment of his campaign pledge, Mayor Dunne has gone even farther in the direction of the plan quoted above from his acceptance speech. For the

plan of his speech would not allow the city to come into direct ownership of its traction system until the sinking fund of the tenants, or licensees, or trustees, had equaled their investment; whereas under the "contract plan," which he now proposes, the city could acquire direct ownership, not only when the sinking fund should equal the investment, but at any earlier time by making up the difference between the accumulated sum in the sinking fund and the cost of the plant.

What Mayor Dunne has done in his "contract plan" for immediate municipal ownership and operation, is to combine the lessee plan of his acceptance speech with other plans in that speech; and this he has done with such effect as to secure in cooperation the best qualities of all. He has, therefore, thus far redeemed his traction pledges to the people, and dealt the traction-franchise grabbers a blow which they already keenly feel, and from which they cannot recover without further treachery in the City Council.

To accuse him of renouncing his policy is, under the circumstances, too weak a play to count for much or for long in their game. To attack the principle of his plan is to attack the policy for which the referendum vote was cast and upon which he was elected.

## NEWS NARRATIVE

Week ending Thursday, July 13.

### The Russian naval mutiny.

The episode of the Kniaz Potemkin, of the Russian fleet in the Black Sea (p. 213), came to an end on the 8th at the port of Kustenji, in the kingdom of Roumania. After negotiations between the Roumanian authorities and the mutineers, the latter surrendered upon the stipulation that they are not to be extradited to Russia. It was reported on the following day that Admiral Kruger, of the Russian fleet, had received the vessel from the Roumanian authorities and had sailed with her for Russia; but this was corrected on the 10th, when it was stated that the mutineers had opened the sea-cocks and flooded the hold before