

in Minneapolis, and it is there; in San Francisco, and it is there; in New York, and it is there; in Boston, and it is there; in Philadelphia, and it is there; in Cincinnati, and it is there; in Washington, and it is there.

Chicago has been a storm center ever since Big Business was successfully resisted in its tax dodging. Its school-land grafting, its school book performances, its factoryizing of school administration and consequent demoralization of the teaching force, its brazen violation of the plain law of the State in order to disrupt a hostile school board, its suppression of board records upon false pretenses and in the face of the law in order to hide conduct that would not bear the light, and its policy of turning the public schools into factories for the production of strike-breakers and the further degradation of citizenship, are all in line with a Big Business policy which happens for the moment to be especially manifest in this one locality, but is in process of development everywhere.

The latest of these manifestations in Chicago—least important, perhaps, but singularly significant,—was the deposition of Mr. Schneider from the presidency of the school board, by the election, without obvious reason other than his Big Business affiliations, of one of the principal lawyers of the beef trust.

By means of a combination of the beef trust with the steel trust and a large railway centering in Chicago, all represented most ably in the Chicago Board of Education, Mr. Schneider has been duly punished for half-hearted loyalty and inefficient service to Big Business.

---

## NEWS NARRATIVE

---

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.®

---

Week ending Tuesday, July 20, 1909.

---

### The Cleveland Traction Referendum.

In anticipation of the adoption of the Schmidt traction ordinance (p. 679) at the referendum in Cleveland on the 3d of August, articles of incorporation of the Cleveland Traction Co. were sent to Columbus on the 13th and the incorporation was completed on the 15th. This company is to take over all the Schmidt franchises. It is

organized with a capital stock of \$10,000, and the incorporators named are Herman Schmidt, Otto Leisy, Thomas Fitzsimmons, Arthur F. May, and ex-Judge James Lawrence, counsel for Mr. Schmidt. The stock is to be increased to \$2,500,000 if the referendum carries.

+

Copies in full of Mr. Schmidt's notification of his purpose with reference to original investor in the old low fare lines, whose interests were secured by the "gentleman's agreement," which the monopoly managers acknowledge but refuse to execute, are at hand. He proposes "to protect the interests of those who have put their money into the building of the Forest City lines, and those who invested in the Cleveland Railway Company stock through the Municipal Traction Company," in such way as to give them all the protection within his power without divesting them of any strength of position they now have. To this end he intends "to bring about the organization of a corporation to be named the Cleveland Traction Company, and to assign to it all the street railroad rights" which he has secured, and to offer to the investors indicated above the option of depositing their "shares with Otto Leisy, D. C. Westenhaver, and Charles W. Stage, as trustees," upon certain conditions, to be stated in a certificate to be issued by the trustees to those who avail themselves of the option, upon delivery of their stock, endorsed in blank to the trustees. Under these conditions the depositor may (1) withdraw his deposited stock at any time; or (2) in lieu thereof, and share for share, may take stock of the new corporation, the Cleveland Traction Company, which Mr. Schmidt deposits with the trustees; (3) to the extent of the depositors' withdrawal, an equal number of shares of the corresponding stock not withdrawn goes to the new company; (4) the new company has the right to buy the old stock at \$110 per share with accrued interest from October 1, 1908, and upon tender of this rate, if not accepted, may withdraw either kind of stock at its discretion, leaving the other kind to the disposal of the depositor; (5) if the depositor accepts the tender, then he must take the money and turn over both kinds of stock to the new company; (6) while the stock remains in the hands of the trustees they have voting power on both kinds; (7) dividends are meanwhile to be paid to the stockholder as soon as collected; (8) the trustees are empowered at any time at the request of the Cleveland Traction Company, to use the old stock on deposit with them for payment to the Cleveland Railway Company for restoration of the property of the Forest City company, in which case the acquired Forest City stock is to be held by the trustees for the benefit of the depositor. The object of this arrangement is to secure these depositors the full

benefit of their present stock in case the old traction interests defeat Mayor Johnson's traction policy, and the full benefit of a corresponding amount of stock in the new company if Mayor Johnson's traction policy is sustained. Shareholders to the amount of 4,500 shares approved the plan prior to its first general publication.

✦

On the 13th, at a large tent meeting, Mayor Johnson said:

Who are the people opposed to us? Who are the men who are trying to fool you into voting for a 5-cent ordinance? They are the same men who have been with the Concon and against the people during the entire railway war. Now they announce they are going to open their tent campaign Monday night and will speak the truth. I hope they do. Nothing they have said so far even resembles the truth. There are two of their orators here tonight. I want them to carry back to the committee the word that if I come to one of their meetings I will ask them more questions in two minutes than they can answer in three weeks. And I may go to one of the meetings. They are afraid to debate. It is because they know they cannot answer the questions that would be put. It is because they would be laughed out of any meeting. I will eliminate myself from any debate. We have at least six men on our side, any one of whom will meet any representative they may choose to put forward.

One of the opposition orators referred to was Homer H. McKeehan, the star speaker and chairman of the speakers' committee of the Chamber of Commerce Committee, whom Mayor Johnson had challenged to a debate. Three days later, Mr. McKeehan accepted the challenge, fixing July 27 and 28 as the dates, with one meeting in a tent on the East side and one on the West, and leaving the other arrangements to Mayor Johnson. But the committee refused to allow him to represent it in the debate, still holding to the position that it will not authorize any debate of the question at issue. On the 14th, in one of his largest tent audiences, Mayor Johnson gave the following instructions to possible questioners at the opening meeting of the Chamber of Commerce Committee to take place on the 19th.

Be ready with your questions when the committee of 100, now committee of 99 [alluding to a resignation] starts out with the tents. Have your questions well in mind. Make them short so they can be understood easily. Do not ask a question unless you are sure of your ground. Ask the question in a courteous manner and demand a courteous reply.

✦

The opposition to the Schmidt franchise have arranged for the use of 1,000 or more automobiles to take voters to the polls on referendum day; and Mayor Johnson has lined the principal street car streets with three-sheet posters on special bill-

boards at each street crossing. These sheets exhibit a large sample ballot properly marked and with this explanation:

**3-Cent Fare!** This ballot is a vote for 3-cent fare and free transfers on this Car Line. Mark your ballots like this and you will get 3-cent fare and free transfers to all East and West Side car lines except to Euclid, Cedar and Broadway.

The entire poster is distinctly legible from car windows. Another campaign document is a small pamphlet which covers the whole subject in brief questions and answers. It describes the purpose of the tent meetings, the history and character of the low fare movement, the "gentleman's agreement," the Taylor plan, the Baker ordinance, the Taylor ordinance, the Schmidt ordinance, Mr. Schmidt himself, and the opposition. It is entitled "Questions and Answers of the Johnson Tent Meetings."

✦ ✦

#### The Chicago School Board.

The election for president of the Board of Education in Chicago (p. 680) came off on the 14th without deadlock or disturbance. Mayor Busse had insisted upon harmony, and after a caucus half an hour before the election, harmony was restored. Until then, if the newspaper reports may be relied upon, the factional fight was unprecedentedly bitter. Mr. Urion had secured 10 of the necessary 11 votes, and Mr. Schneider 9; but during the day John R. Morron, president of the glue trust, (an Armour appurtenance), returned to the city after an absence abroad of several months, and made it known that he would support Mr. Urion. This fact was authoritatively disclosed to President Schneider at the caucus immediately preceding the meeting, and as Mr. Morron's support assured Mr. Urion's election, President Schneider withdrew from the contest and himself nominated Mr. Urion, who was thereupon elected without a formal ballot and without objection.

✦

Mr. Schneider had previously announced that if not re-elected to the presidency he would regard that fact as a reflection upon his administration and resign from the Board. He now states that he will not resign, but will go to Europe for a long rest.

✦

The new president, Alfred R. Urion, is the general counsel of Armour and Co., dominant in the beef trust. His principal supporters, who with himself are understood to be now in unquestioned control of the harmonized Board ("the harmony school board," as the local papers call it) are Chester M. Dawes, general counsel of the Chicago, Burlington and Quincy Railroad Co.; and Theodore W. Robinson, first vice president of the Illinois Steel Company, one of the constitu-