

minerals. Neither property is worth much, because few people live in the territory through which the road is to run, and the mineral land is too far from the market to permit delivery. The rail men build the road from the city to the mining lands. Immediately there is a sharp rise in the value of the land, a rise that can be attributed only to the presence and service of the road. Settlers locate along the line of the road, and the value of the land both in the right of way and in the farms advances. Farm land worth three dollars an acre before the road was built is worth fifteen dollars after it is in operation, and arises ultimately to one hundred or two hundred dollars an acre.



Note, however, the difference in public opinion as it bears upon the several cases. The mine owners, who invested a hundred thousand dollars in mineral land before the advent of the railroad, find it worth a million, or five million dollars, when the road is in operation. No one raises the question of watered stock. Should the mine owners combine and fix the price of coal at seven dollars a ton, a great hue and cry is raised against cormorant trusts; but the owners may individually charge six dollars and ninety-five cents a ton, and the people not only pay it cheerfully, but they congratulate the owner, and hold him up as an example for their children to emulate. The same is true of the early settlers. The land that was occupied at nominal homestead prices becomes so valuable that the owners retire to a neighboring town and live on the rent paid by the tenants. No question of watered stock is raised in connection with the farmer. But the railroad men who invested a million dollars find that their little strip of land has advanced along with the mineral land and the farms, and that the property for which they paid one million dollars is worth two million dollars. The only legal way they have of distributing this value is to issue more stock. But no sooner is this done than the farmers and the mine owners and all the other landowners raise the cry of watered stock. They who are drawing earnings on a valuation of ten, twenty, perhaps fifty, times the amount of their original investment, rend the earth and shake the heavens because the railroad men presume to collect dividends on twice the value of their investment.



The railroad men should not attempt to collect earnings on twice the amount of their investment; but it is not for other land owners who are col-

lecting on twenty times the amount of their investment to denounce them. It is to be hoped, moreover, that the editor of the World, who has studied the railroad problem to such good purpose, will apply the same line of reasoning to the owners of the land on each side of the railroad right of way. If it is immoral for the owners of the narrow strip of land upon which the road runs to keep to themselves the value that the community has conferred upon their holding, it must be equally immoral for the owners of the rectangular pieces of land comprising the farms and mines to retain the vastly greater community values that have come to them. Has the editor of the World the courage to denounce all watered stock, and to call upon all citizens to content themselves with "interest returns only on capital invested, not water"? It is popular to denounce railroads; small politicians have taken on the semblance of statesmanship through baiting railroad managers for doing in a modest way what other landowners have done in a grand way. But the world is now ready to listen to the editors and the statesmen who will denounce all who take dividends on watered stock, and who will insist that all men, down to the least and the humblest, shall have all that they earn.

S. C.



Fallacy of the Rate Increase Plea.

The same fallacy that underlies protectionism is being urged in behalf of raising railroad rates. We are told that if these rates should be increased the railroads will have money to spend for improvements and that this will bring trade to business men and give employment to laborers. There is the same reason for rejecting this plea now as when presented by protectionists. It is neither just nor expedient to rob Peter to pay Paul. The increased rates can only come from industries other than railroads and these must necessarily be weakened thereby to a greater degree than increased railroad expenditure can strengthen them. Besides, if the railroads are in need of a tax on the public to enable them to properly perform their functions, then the public ought to own them in order that it may directly get the benefit of expenditure of its own money.

S. D.



Progressive Policies Must Be Fundamental.

Wise legislation does not consist in passing of laws to prohibit or to regulate evils, but in repeal of the laws that create evils. This is a principle that the Progressive party conference which meets

this week in Chicago should take to heart. Under the leadership of Roosevelt and Perkins the party urged that evils be forcibly prohibited and regulated, in preference to abolishing them through removal of underlying causes. It disregarded the appeals of such leaders as Amos Pinchot and George L. Record, who urged it to take a more fundamental stand. The result shows its choice to have been as politically inexpedient as it was economically unwise. Possibly no better immediate results would have been obtained had the party advocated a wiser policy. But there would have been more honor in the defeat.



The progressive Republicans of Wisconsin seem to have need of learning the same lesson as the Progressive party. During their period of power they dealt with evils in a superficial manner, attempting to attack them in every way but the fundamental one. On this account results were not proportionate to effort, and conditions were left so as to enable a return of reactionaries to power. This will not be a misfortune, however, should it teach the progressives their great mistake and lead them into advocacy of more fundamental measures in the future.

S. D.



Governor Hunt's Opportunity.

Governor George W. P. Hunt of Arizona is an earnest advocate of the sound doctrine of majority rule. But apparently he makes the mistake of failing to note that the right of the majority to rule extends only to those matters which belong within the province of government. Individuals have certain inalienable rights upon which no popular majority can justly infringe. Among these rights is the right to life. If Governor Hunt will carefully read the Declaration of Independence he will learn that governments exist to protect these rights, not to destroy them. He will see that a governmental order to commit an act which it was organized to prevent does not belong in the same category as an order along the line of proper governmental functions. So when, as happened at the recent election, the voters of Arizona rejected a measure to abolish capital punishment, Governor Hunt should not feel bound for that reason to allow a wholesale execution of condemned persons to take place. The right of these condemned ones to life is not a matter for any ruler to pass upon. It is beyond his just powers, at least as long as public safety may be as effectively guarded by other methods than the putting of individuals to death.

But Governor Hunt is reported to have declared his intention to allow the executions to proceed, although he feels them to be outrageous. His reason is that "the people want it done and should have what they want," whether it justly belongs to them or not. This is not upholding popular government. Quite the contrary. Governor Hunt is letting a chance go by to refute one of the objections to popular government, based on a misconception of proper governmental powers. He should declare that a popular majority has no better right than an absolute despot to infringe on the natural rights of individuals. Such a stand would not only be right, but could be taken, in Arizona at least, without doing violence to unlimited popular government. For Arizona has the Recall, and Governor Hunt could challenge those who would condemn him to put his action to the test of popular approval through this measure. It is scarcely conceivable that Arizona voters, having been made to realize what they voted for on November 3, will not welcome a chance to practically undo their mistake. Governor Hunt has an opportunity such as comes rarely to any individual.

S. D.



Mischievous Philanthropy.

There has been a disposition on the part of some people to condone the accumulation of great wealth by means not strictly ethical because of the benevolent use to which it is put. But philanthropy cannot quite compensate for the lack of justice. It sounds well to name the foundations and bequests that are devoted to various services of society, to helping the weaker brethren, to pensioning aged teachers, to prosecuting scientific research, and to the carrying out of the various functions that have not as yet been taken up by government; yet the very doing of these things by means of philanthropy may defeat the end intended. The Rockefeller foundation and educational fund, for instance, is employing a large number of men to act in conjunction with the United States Agricultural Department. At first thought this might seem to be very desirable, and might be taken as evidence of regard for the rights and needs of the people at large; yet the report is now gaining currency that the thousand or more men who are engaged in this work at the expense of Mr. Rockefeller are not as disinterested as they seem to be. The suspicion is abroad in certain parts of the country that these men are acting in the interests of the oil monopoly, and are by their presence in the Agricultural Depart-