

ever can be, cost the Steel Corporation only \$45,000,000.

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To demonstrate the foregoing statements, let reference be had to the following from the annual report of the Tennessee Coal & Iron Co., for the year ending December 31, 1904. In that report, Mr. Bacon, the chairman of the board, said:

Early in the summer of 1904 a committee of appraisers was appointed, representing the Sloss-Sheffield Steel & Iron Co., The Republic Iron & Steel Co. and this company, to estimate the amount and quality of the coal and iron ore owned by each company. An examination covering several months was conducted, as the result of which a report signed by every member of the committee was submitted, showing that this company owns in fee over 395,000,000 tons of red ore, of which 381,000,000 tons are graded as first class, 10,177,000 tons of brown ore, and over 1,623,000,000 tons of coal, of which 809,112,000 tons are coking coal. In the coking coal is included 300,000,000 tons of Cahaba coal, which is unexcelled in the South for steam and domestic purposes, and commands the highest market price of any grade of coal in the district. The men in charge of our iron mines estimate the holdings of iron ore of the company to be still larger; viz., of first class red ore, over 450,000,000 tons; of second class red ore, over 95,000,000 tons; and of brown ore, 16,900,000 tons.

From the above it will be seen, figuring the first class ore at as low an amount as \$1 per ton, that the valuation for that alone is \$395,000,000. If we disregard the aggregate estimate of coal, and simply take the estimate for coking coal at as low a figure as 50 cents per ton, we get a valuation of \$400,000,000 more. A very conservative estimate of the values of the ore and coal deposits of the Tennessee Coal & Iron Co. at the present time, is hardly less, in all probability, than \$1,000,000,000.

Now, as far back as 1901, Mr. Schwab made the statement that the coking coal deposits of the Steel Corporation were of vast value, because of the fact that coking coal of the kind needed for blast furnaces was rapidly growing scarce, and that in a few years there would probably be no more. He disregarded the Tennessee properties, undoubtedly, but by this great acquisition the Steel Corporation has been put in a position where it need have no concern for the future as far as coking coal is concerned. In fact, the acquisition of the Tennessee Coal & Iron Co., aside from being a business stroke of enormous direct profit, has had the effect of rounding out and completing the control, by the Corporation, of the ore and coking coal supplies of the country.

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That acquisition is of more value to the Steel

Trust, and will be in the future in many ways, than its holdings of Lake Superior ores, both because of location and because of general character and quality of the deposits.

It is well known that the Tennessee iron ore deposits are the best in the world for making pig iron; and the cost of production and manufacture of iron products in that section is considerably less than is the case in the Great Northern ore bodies. Therefore, it can be easily demonstrated that the acquisition of this property for \$45,000,000, added an almost unheard-of value to the equity back of the Steel Corporation stocks.

Many people have wondered and are still wondering why, in the face of temporarily poor earnings, and in the face of tariff agitation, the Steel Corporation stocks, both common and preferred, have been steadily rising since last December, and are now almost at the highest figures of their history. The foregoing demonstration certainly accounts for it.

If it were not for the danger involved in tariff agitation, the Steel Corporation common stock would probably be selling today at nearly double its present value. In other words, instead of having a market price of \$45 per share, a total market value of about \$220,000,000, it would be selling in the neighborhood of \$90 per share, with a total market value of \$450,000,000. It could easily reach this point in spite of the fact that the Corporation may not pay any larger dividends for several years to come.

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The appraised value in 1904 of the Tennessee company's properties, as quoted above, was that of a thoroughly impartial and unanimous board. This appraisal must have been known to Mr. Morgan and the rest of his party when the property was taken over by the Steel Trust at the absurdly low price they paid. If they checked the panic by this transaction, they did it by taking a few dollars out of one pocket and putting millions into another.

President Roosevelt also must have understood the situation. If he did not, he should have learned it, as he easily might, before consenting to the consolidation.

JOHN MOODY.

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A HEROIC SCHOLAR.

If the span of life is to be measured by extent of service rather than by number of years, then Professor Frank Parsons, who has just died in Boston (pp. 630, 637), was a veteran indeed. In truth, he was but 54 years old, having been born

in 1854, at Mount Holly, N. J., a little way east of Philadelphia, whither his body was borne from Boston for burial.

With Boston he had been more or less closely associated for twenty years, and for the greater part of that time, here had been the center of his activities. Now he was teaching political science for a period in Kansas, now scouring Switzerland for the latest fact upon the initiative and referendum, now making laborious research or pushing hot propaganda, at a hundred points near and remote, in the interest of better economy, better laws, better cities, better public service, or a better chance for the unprivileged man. But Boston was headquarters, and to Boston he ever came back, for at least fifteen years being a noteworthy figure in our reform movements and organizations.

He was long a regular lecturer in the Boston University Law School. But he was much more active as a speaker out of the School than in it; and his literary work was far more extensive, important and influential than his platform work. He lived for many years in the simple boarding-house in St. James avenue, where he died; and his big sunny room at the back of the house was a veritable bee-hive of intellectual industry.

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The amount of work which this quiet scholar managed to do there in these years was something extraordinary. Indeed it was an amount too great for the time. He would have done more if he had done less. He did not know well how to play, and he did not know when to stop work; and it was too often midnight when the wearied hand laid down the pen.

He had too little humor—though more than some divined. His devoted days needed more relief. He never seemed a strong man; but if he were not robust in body, he had unremitting patience and persistence and an inflexible purpose, and his concentration brought large results. Never was man more guileless, or more free from any thought of worldly success, of gain or popularity. His concentration was all upon political and social facts which he felt his countrymen were careless about and needed to be careful about and to be better informed about.

It surely was not his fault if they were not informed. In season and, as some at least of the conservative folk felt, out of season, he shed light wherever and whenever he got a chance. Some thought he shed it too often or too long at a time; but if that were ever true, it was the measure of his intense conviction and his earnest desire to

waken sleepers to what he held imperative gospel. He was ahead of his time, and sometimes, it may be, bored by his persistence some who were behind the time; but there are some who need to be bored. It may fairly, perhaps, be said by friends that a dozen years ago he was a little doctrinaire in habit, and that his last thinking was his best.

No serious man from the first ever thought Professor Parsons a "crank"—that easy term flung round by smug people pestered by radical men. Every earnest scholar respected him; the plain people, and especially the struggling poor, recognized and loved him as their friend; and now, when so many of his sometime "heresies" have become orthodox, it is clear to see how well balanced and just he was on the main points, how docile always, and how quick to point out the weak places in his own contentions, the places to which careful effort must be given if they were to be made strong.

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"The New Political Economy," "The City for the People," "Direct Legislation," "The Story of New Zealand," "The Heart of the Railroad Problem," "The Railways, the Trusts and the People,"—these titles taken almost at random from the titles of a dozen books poured out along with multitudes of magazine articles in a dozen years, show something of the range of his literary and reform activities; and there was no book to which he put his hand which was a careless book, none into which there did not go immense reading and study, earnest thought and a great consecration. Two or three books were in course of preparation side by side upon his desk at the time he died.

His last dominant interest was in the "Vocation Bureau," of which much has lately been said, which he conceived and organized, and which he fully discussed in articles in the last two numbers of the *Arena*. In this important and neglected field he was a pioneer, and much must result here from his provocative and constructive thought. The immense amount of service which he gave to this work was representative, like his long work in the Breadwinners' School at the North End in Boston, of the self-sacrifice and zeal of his lifelong efforts for the "under dog" and for the young.

In the program of the Massachusetts State Conference of Charities to be held in Fall River the last of October, just laid on the table, he is announced for an address on "The Problem of a Livelihood." It would doubtless have related to his dear "Vocation Bureau." He will not speak at Fall River. But he will not be forgotten there.

He will not soon be forgotten in Boston nor in the country. We can none of us afford to forget easily the lesson of a scholar's life so simple and unselfish, so untiring and devoted, so public-spirited and truly heroic.

One of our political economists who does not like reformers too well, has written an ironical essay, provoked by sundry contemporary social struggles, upon "The Foolish Attempt to Make the World Over." It was in that "foolish" attempt that Professor Parsons was engaged his whole life long. He was one of "God's fools," if we may echo the phrase of Maarten Maartens.

He was a "worker together with God" in the long and painful process of transforming human society on this old earth of ours into some sort of reflection and bailiwick of the kingdom of God. That is the best thing that can be said of a man when he passes on from this sphere of labor; and it can be said with rare warrant of Frank Parsons.

EDWIN D. MEAD.

EDITORIAL CORRESPONDENCE

NEW YORK IN COMPLEX POLITICS.

New York, October 10.—The political situation in this State is peculiar.

Before the State nominations there was an understanding between the Republican machine and the Democratic machine under which Governor Hughes was to be dropped by the Republicans in favor of a machine man, and the Democrats were to make a weak ticket. This arrangement involved the turning over of State affairs to the combine, and incidentally the giving of the electoral vote of the State to Taft. Neither party to the combine cared for Taft; but both were more than willing to defeat Bryan, and both were anxious to take the control of the State out of the hands of the incomprehensible Hughes.

When Roosevelt's "crowd" got wind of this arrangement, they decided that it would be bad politics. While Hughes was nothing to them, Taft was much; and they feared that if Hughes were turned down at the Republican convention, the farmer vote, already leaning toward Bryan longingly, might smash the State ticket and Taft along with it.

So Roosevelt sent for the bosses and told them to nominate Hughes for Governor. "But we can't support him," they protested. "Nominate him!" was Roosevelt's command. "But he will be defeated at the polls," they urged. "Nominate him," repeated Roosevelt. And they nominated him.

Then the anti-Hughes combine of both parties readjusted their arrangement. Instead of nominating a weak gubernatorial candidate on the Democratic ticket, they nominated Lieutenant Governor Chanler; and forthwith set about electing him with so much energy that in due time it came to be quite generally understood that in New York Chanler

would defeat Hughes for Governor and Taft would defeat Bryan for President.

To the Roosevelt "crowd" this was by no means wormwood and gall. By giving the electoral vote of New York to Roosevelt's Presidential candidate, it would accomplish the main purpose; and by defeating Hughes, it would make Roosevelt the New York leader in Republican politics without a rival.

But it was wormwood and gall to the Hughes "crowd," when the situation leaked in upon them, and they lost no time in making their sentiments known. They notified the Roosevelt "crowd" that Taft could not have the electoral vote of New York for President if Hughes was to be defeated for Governor—that the two must stand or fall together.

Consequently matters just now are in unstable equilibrium. If the Roosevelt "crowd" assent to the demands of the Hughes "crowd," they break faith with the combine and thus may let loose forces that would play havoc all along the line. If the Roosevelt forces do not assent to the demand of the Hughes crowd, but virtually sanction the arrangement for defeating Hughes and electing Taft, the Hughes "crowd" will expose the situation throughout the State, and give the farmer vote an excuse for going for Bryan as it already inclines to do.

So there you are!

Of course I am not able to prove these statements, not being sufficiently in the confidence of any of their houses. But I am well assured that there are those who could prove the whole thing if they wished to, and that some of them will prove it if the Rooseveltians don't come to terms.

Look out for the exposure from Hughes sources. If it comes, you may be sure that the Rooseveltians couldn't or wouldn't assure Hughes of an equal show with Taft; if it does not come, you may infer that an understanding satisfactory to Hughes has been effected.

W. B.

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, October 13, 1908.

The Bryan-Taft Dinner at Chicago.

At the dinner of the Chicago Association of Commerce at the Auditorium on the 7th the Presidential candidate of the two leading parties—William Jennings Bryan, Democrat, and William Howard Taft, Republican—were the guests. Both were received with good feeling by the banqueters, and both made nonpartisan speeches. The speech of Mr. Taft, which was on judicial reform, was connected by him with the occasion, by this preface:

It has seemed to me that such an association as