

of labor—for no man would then work for another for less than he could make by working for himself. Free or easy access to land in new countries accounts for high wages in such places, and the absence of poverty and unemployed laborers.

Laborers demand justice, not charity; equal rights for all, not special privileges for some. Only by the establishing of justice and freedom can involuntary poverty be abolished, and the first step in that direction should be the extension of home rule or local option to the system of taxation, and that would open the door for the adoption in communities, both large and small, of the principle called the single tax. The necessity for government and the value of land are both the result of population, and the revenue of ground rent from the one should be used to pay the cost of the other. This would be conforming social conditions to natural law, and as a result poverty would be abolished, as well as the greed, vice, crime and intemperance that spring from poverty and the dread of poverty.

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THE PUBLIC OWNERSHIP OF RAILROADS.

For The Public.

IX.

General Observations and Conclusions.

1. State Railways as Employers.

An important question in connection with the success attained by existing State railways is the condition of the employees. Of course the wages paid are not as high as the wages in the United States, but if State railway employment is compared with private employment in the same country, or in countries of similar conditions, it will be found that the employees of the public railway systems are as a rule better satisfied and a higher class of men, than can be found elsewhere. It is true that some countries, notably Italy and Rumania, have had troubles with their railway employees, but, while these cases are exceptions in regard to publicly owned railways, there are hardly any private roads anywhere, which have not, at some time or other, had troubles with employees who have been dissatisfied with their treatment. We have previously compared German State railways with English private railroads in certain respects. It may be profitable for us to complete our comparison by a reference to the manner in which each system handles its employees. Private monopoly in England has made itself subject to the same charge as American railroads, that of working the railway employees unreasonably long hours, although it must be admitted that such extreme cases as were brought forth in this country during the investigations connected with some of our most terrible railway accidents about a year ago, have not been heard of in

England. In Germany, however, the hours of duty are strictly limited. The working hours of 70 per cent of the locomotive and trainmen is less than 10 hours a day and does not exceed 11 hours, except in emergency cases, for any trainmen. In the State railway show the working time is limited to 9 hours.

On the Swedish State railways no general rules have been laid down as to the length of the working day. The principle of rendering the service of the train staff as easy as possible, is, however, applied as far as possible. With regard to Sunday labor, reductions have been made in connection with the freight traffic. Neither receiving nor delivering of freight takes place on that day, and a number of freight trains regularly run on week days are not run on Sundays. It is also the practice on all the government lines to provide for one Sunday off every third week for all employees, and they also have fifteen days' leave of absence yearly with full pay. The minimum compensation paid to the cheapest class of employees is \$318 a year, including compensation for clothing. The average minimum compensation on American roads is \$1.32 per day, or \$440 a year for 333 working days, this number being the number of working days on the Swedish State railroads for each employee. Considering the average cost of living, this comparison is most favorable to the publicly owned systems considered.

On all the larger publicly owned systems the employees are retired with a pension at a certain age, their employment is steady, and they need fear the future far less than the employees on many of our railroads, where the first pinch of depression in trade throws thousands out of employment.

2. Working Expenses.

It has been charged, and with very plausible reasons, that government administration of railroads would be a far more expensive business venture, considered merely as such, than results from private management. Few people, even the most ardent advocates of government ownership, would feel justified in arguing on this subject, unless supported by actual figures from practical results.

There are also a great many people who believe in government ownership in principle, and who would be willing to support its application in practice, if they were confident that the cost of administration would not be out of all proportion to the cost of private management. Of course it is true that logically the railways should be owned by the government, no matter what the cost of administration, because the railways to-day constitute our most important public highways, and we have outgrown the time of toll-roads, and highway franchises. We do not need, however, to argue this matter against any such odds as would

be necessary if we advocated something that would be commercially unprofitable. We have already shown that State railways have always been self-supporting, and that they also, as a rule, have paid a fair, and sometimes, a high per cent of interest on the capital invested. Surprising as it may seem to the superficial observer, even the cost of the administration proper is in general not higher for government railroads than for private roads. This we shall immediately show by figures which were a few years ago collected by English authorities.

The proper basis for a comparison between the administration cost of government and private railroads is obviously to compare State roads and private roads in the same country, and not to compare government railways in one country with private roads in another. The figures given below state the percentage of the total working expenses expended on administration of government and private railroads, respectively, in different European countries:

	Government railroads.	Private railroads.
	Per Cent.	
Germany	9.40	13.10
Austria-Hungary	6.50	8.47
Belgium	5.05	10.13
Denmark	6.89	5.77
France	16.16	9.58
Italy	6.49	8.76
Norway	7.30	7.00
Holland	5.30	10.35
Rumania	4.40	10.80
Russia	9.27	13.70

From the foregoing figures it will be noticed that in France alone is the cost of government administration considerably higher than private administration; the difference in Norway and Denmark is very slight. On the other hand, in Germany, Austria, Hungary, Belgium, Italy, Holland, Rumania and Russia the administration cost of the government railroads bears a far smaller proportion to the total working expenses than that of the private lines in those countries. The case of France is really of small significance, considering the fact that so small a proportion of the total system (only between 8 and 9 per cent) is in the hands of the government, and that, therefore, the public railways of France are by no means an example of the possibilities of a developed publicly owned railway system. Disregarding France, for these reasons, our quoted figures show decidedly lower expenses for government administration than for private management. Such a conclusion seems really unreasonable if we do not analyze the conditions. We have become so used to the idea that a private undertaking can be conducted more economically than a government enterprise, that we feel inclined to doubt the statistical information on which we have founded our conclusion. If we remember, however, that government railroads do not need to keep on their

pay-roll expensive lobbyists, that they do not need to "influence" legislation, that they do not need any corporation counsel in the ordinary sense of the word, that they do not need to provide jobs for political assistants who may be wholly inefficient in railway work, that they do not need to provide offices and fat salaries for relations of influential stockholders—if we remember these and similar things which are constantly providing new channels for the expenditures of a private railway monopoly, we may realize why it is that, when it comes to the matter of railways, European governments have proved themselves able to conduct business equally cheap or cheaper than private companies. There is no good reason why these results could not be duplicated in America. Think of the enormous sums which American railroads have spent annually on influencing legislation. Think of the railway lobby at every one of our forty-six State capitols, and the one at our national capitol. Think of the salaries we have known some of our United States Senators to receive as dummy directors in railway companies. Think of the expenses of legal proceedings; of the expenses of getting the laws passed by our elected representatives declared unconstitutional. Conceive of the salaries paid to many a railroad president, wholly incompetent as a railroad man. All this is "dead waste," which could be eliminated in a publicly owned system.

Having made a comparison of administrative cost, let us now proceed and compare the expenditure applied to the permanent way, and that of traffic expenses. The following table shows the amount of these expenditures in percentage of the total operation cost for government as well as private railways of several European countries:

Countries.	Maintenance of Way.		Traffic Expenses.	
	Gov. lines.	Private. lines.	Gov. lines.	Private lines.
Germany	35.90	28.20	31.10	35.30
Austria-Hungary	38.12	30.21	29.03	32.54
Belgium	24.04	24.86	25.96	32.79
France	24.15	20.83	27.57	34.77
Italy	22.01	26.68	35.98	31.14
Holland	29.70	25.59	36.90	35.53
Rumania	38.10	29.20	22.70	28.40
Russia	40.40	31.03	11.83	21.34

From the preceding table we can easily draw two conclusions. In the first place we find that the maintenance of the permanent way is generally higher on the government lines, and in the second place that traffic expenses are higher, as a rule, on private railways. "It may be easily contended and even proved beyond all doubt," says Mr. J. S. Jeans, in "Railway Problems," "that the first characteristic is a result of the better conditions in which the State keeps the permanent way; and so far as this is the case, the public convenience, safety, and general advantage are promoted. The higher range of traffic expenses on the compan-

ies' lines undoubtedly argues greater laxity of management. . . . The experience of Continental Europe points unmistakably to the exercise of greater economy in State management."

3. Political Difficulties of Public Ownership.

The difficulties which would arise in this country, in case the railroads passed into the hands of the public, would nearly all be of a political nature. The European countries have provided for these difficulties by divorcing as much as possible the legislative and administrative powers of the State. Our political system of rapid rotation in office is not fitted for administrative offices, no matter how desirable it may be for legislative and executive bodies. Capable men, when once placed in responsible positions in business management, such as that of the railways would be, should be permitted to remain as long as the business prospered under their management. This would prevent political favoritism. We must also do away with the appointive system in any except the very highest, managing positions, and must depend entirely on a well-devised merit system. The European countries have proved that it is possible to make the railways wholly independent of the party in power, and we can learn a valuable lesson from them.

If the railroads are kept aloof from politics as much as they are in Germany and the Scandinavian countries, we do not need to fear a great body of voters in the government service who would always throw their influence in a certain direction. These fears are merely imaginary, and are used to frighten off people who prefer to let others think for them, from that terrible monster, government ownership. But even if we could conceive of the influence of the railway employees as being thrown entirely in favor of one party, still, this influence would only be but a fraction compared with the past and present influence of the men who have, as beneficiaries of a private monopoly, corrupted all our legislative bodies, from the United States Senate, all the way down through the State legislatures to the town and city councils. This is the political influence most to be feared.

All considered, the political difficulties, while of a more serious nature than any of the other conditions we have investigated, are by no means insurmountable. We can model our railroad departments from Europe; there is no reason why we should be too proud to learn from our sister nations when in this particular case they can teach us a valuable lesson. We can surely do as well as they have done. How inconsistent if we, who boast of being the foremost nation in the world, and the best business men, should not consider ourselves capable of handling our railway system the same as does Germany.

The American people have not yet failed in anything they earnestly undertook. Nor will they fail

when they once realize their duty and their rights in regard to the public highways of their country.

ERIK OBERG.

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P. WEAVER, CLAIMANT.

T. K. Hedrick in *St. Louis Globe-Democrat*.

I am a air-at-law; I meen 2 soo
phor mi phull shair ov adam's vast estait;
mi claim is just—mi relative hee dyed
an made no will—what law kalls "intestait."

now eve an adam, so the bible sez,
they oaned thee earth and thereoff evry frute,
an I, a true desendent ov them 2,
deemand mi proper shair in this mi sute.

itt matters knot 2 mee whut men hav dun
2 wards improving this estait ov mine,
that jumped mi claim without mi phull konsent,
lett them sho enny papers I did sine!

thee earth, thee air, thee water ar three things
thatt no man kan sustane hiz life without,
an thatt is why old adam maid no will,
hee left them 2 us awl beyond a dout.

iff enny man kan oan a bit of earth,
itt's logikal thatt hee kan oan itt awl,
an oaning itt, no other foaks kan live
on itt unless he sez so—att hiz beck an kaw!

itts getting thatt way now, a phew men claim
to oan thee better parts ov awl thee earth,
thee rest ov us must pay them what they ask
as rental, whith IZ awl yore life IZ wirth.

an thatt IZ why thatt I intend 2 soo
phor a division, an deemand account,
I pheer the trustees hav ben krooked, an
perhaps embezzled quite a large amount.

BOOKS

THE LAST WORD ON SOCIALISM.

New Worlds for Old. By H. G. Wells. Published by the Macmillan Co., New York. 1908.

Not a Utopian romance this time, but an exposition of modern Socialism, comes from Mr. Wells's famous pen. The fundamental idea of Socialism, says the author, is the denial that chance rules the world, the affirmation that things social (like things material) are by nature orderly. And the Socialist declares a "constructive design" for society.

This design of the Socialist rests upon two main generalizations. First,—since "the most important of all public questions,"—is "the question of the welfare and upbringing of the next generation." "The ideas of the private individual rights of the parent and of his isolated responsibility for his children are harmfully exaggerated in the contemporary world. . . . The Socialist holds that the community as a whole should be respon-