

articles in large quantities. Yet much of this business, having the benefit of no monopoly and subject to keen competition, is done, as we are assured, at a margin of net profit not exceeding 5 per cent on gross sales—rising in most prosperous years to barely 10 per cent. The foundry business in question has a product of about 5,000 tons per annum and pays out annually about \$125,000 in wages and salaries. Its proprietors are well satisfied with a net profit of \$25,000 per annum—say \$5 per ton of product, or one-fifth of the amount paid out in wages and salaries.

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Let us see how the comparison works out:

For the highly protected monopoly:

A net profit approximating 50% of goods sold.

A margin of over \$15 per ton in the manufacture of a staple article, involving no risk of loss and salable to all the world.

A net profit equal to practically 100 per cent of all wages and salaries.

For the smaller industry, subject to keen competition:

A net profit barely averaging 10% of sales.

A margin seldom exceeding \$5 per ton of a special product involving great detail and close attention, and practically unsalable except to the special parties for whom made.

A net profit equal to about 20% of wages and salaries.

Under a fair economic system, the profits of manufacture of such a product as that of the steel trust should not exceed 10 per cent of the selling price, or about \$2 per ton; and it is safe to say that with free trade and free land, this level would soon be reached. Everything above this is simply an extortion from the public, made possible only by those two giant evils—Land Monopoly and Tariff Monopoly.

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Intelligent Referendum Voting.

Now that the demand for initiative and referendum laws to protect the people from non-representative representation has assumed the proportions of a popular wave rolling over the country, the plutocratic press and machine politicians are profoundly concerned lest many questions be submitted at one time, and the people become too confused to vote intelligently. In this connection it should be remembered that the issue here is not whether the people would legislate with perfect intelligence by referendum, but whether their legislation would be more intelligent than that which they have been getting from uncontrollable legislatures.

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Could it be less intelligent? Experience indicates that it would be more so. In Oregon, for instance, at an election two years ago (vol ix, p. 227) when eleven questions were be-

fore the people on referendum, every question was intelligently decided. Some may have been decided wrong. That depends upon the point of view of the critic. But all were decided right according to the consensus of opinion of the State. No one doubts this now. Therefore all were decided intelligently. Can as much be said for legislation by representatives upon whose action there is no Referendum veto nor Initiative command? At that election, the members of the faculty of the State university of Oregon appointed one of their number to investigate every question to be voted on and report with recommendations. His report was discussed and adopted by his associates, all of whom voted accordingly. Here was truly an exercise of intelligence. And behold, the people at the election rejected every proposition which these intelligent and deliberate college professors had condemned, and adopted all but one of those that the college professors had approved. The exception was the woman suffrage amendment. It so happened that the college professors favored this, while a small majority of the people did not. In our opinion, as in that of the college professors, the majority of the people were in this instance wrong; but shall we therefore say that they voted unintelligently?

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Oregon is soon to vote again on public questions. This time there are nineteen. That such questions as are most of these—they are described in another column—exist to be put forward at all, is at least suggestive of unrepresentative legislatures in the past. But that apart and how can it be said that those questions will not receive intelligent consideration from the people? The argument on both sides of each is laid before every voter officially, as well as in the usual way. Won't he be better qualified to vote on them himself than under the old system he would be to choose a representative with an irrevocable power of attorney to vote on them for him?

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Queer Americanism.

With no little surprise we learn that the following sentiment has a place in a document of the Ohio State Board of Commerce, put forward as an argument against the initiative and referendum:

The American people have never failed to respond to a call to do military duty whenever the authority or the integrity of their government has been attacked by an armed enemy. An enemy using ballots instead of bullets as a means of overthrowing our system of representative government should be met with an equal display of loyalty, patriotic endeavor and unyielding resistance.