

6th, in the Sistine Chapel. Immediately after his election the Pope, in commenting upon his accession, at a time when almost all the countries of Europe were drenched in blood, said:

The war has armed faithful against faithful, priest against priest, while the bishops of each country offer prayers for the success of the army of their own nations. But victory for one side means slaughter to the other, the destruction of children equally dear to the heart of the pontiff.

[See current volume, page 853.]



Mexico and the United States.

The dispute between General Carranza and General Villa regarding the policy and procedure of the new government seem to be the chief topic for discussion. The plan of Guadalupe, strengthened by the Torreon pact, seems now to be in the way of General Carranza and his friends. Hence, they seek to evade it, while General Villa insists upon its observance. This plan calls for a meeting of the generals of the armies and representatives of the men to choose a provisional president who shall not be a candidate to succeed himself. General Carranza assumes as first chief to be provisional president, and at the same time he intends to become a candidate in the election that has been called for October 1. General Villa remains at Chihuahua City awaiting the calling of the convention of chiefs, and the carrying out of the agrarian reforms throughout the country. The reports from Washington indicate that the Administration is disposed to hold General Carranza in some degree at least to the Constitutionalist covenant that was made at the beginning of the war. [See current volume, page 853.]



The Panama Treaty.

A treaty was signed at Panama on the 2d, by the American Minister, William Jennings Price, and the Panama Secretary of Foreign Relations, Ernesto T. Leferve, that gives this country important privileges. This treaty takes the place of the Davis agreement of June 15, 1904, which tentatively fixed the boundaries of the Canal Zone. The United States acquires absolute control over all the waters of Colon and Ancon harbors, and in addition, two small islands lying in Ancon harbor, which are to be used for observation and light stations by the coast artillery. [See vol. xvi, page 970.]



Congressional News.

The Clayton bill, regulating the issuance of injunctions in labor disputes and amending the anti-trust act, passed the Senate on September 2 by a vote of 46 to 16. The House provision forbidding enjoining of picketing had been removed by the

Committee on Judiciary. But before passing the measure the Senate restored this prohibition on motion of Senator Cummins. As finally adopted, the provision relating to injunctions is as follows:

And no such restraining order or injunction shall prohibit any person or persons, whether singly or in concert, from terminating any relation of employment, or from ceasing to perform any work or labor, or from recommending, advising or persuading others by peaceful means so to do; or from peacefully persuading any person to work, or to abstain from working; or from withholding their patronage from any party to such dispute, or from recommending, advising or persuading others by peaceful and lawful means so to do; or from attending from any place where any such person or persons may lawfully be for the purpose of peacefully obtaining and communicating information, or from paying or giving to or withholding from any person engaged in such dispute any strike benefits or other moneys or things of value; or from peacefully assembling in any lawful manner or for lawful purposes; or from doing any act or thing which might lawfully be done in the absence of such dispute by any party thereto; nor shall any of the facts specified in this paragraph be considered or held to be violation of any law of the United States.

The provision exempting labor unions from anti-trust prosecution is as follows:

The labor of a human being is not a commodity or article of commerce, and nothing contained in the anti-trust laws shall be construed to forbid the existence and operation of labor, agricultural or horticultural organizations, instituted for the purposes of mutual help and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade, under the anti-trust laws.

[See current volume, page 560.]



President Wilson on September 4 appeared before Congress and addressed it regarding the deficit in revenue caused by the European war as follows:

I come to you today to discharge a duty which I wish with all my heart I might have been spared; but it is a duty which is very clear, and, therefore, I perform it without hesitation or apology. I come to ask very earnestly that additional revenue be provided for the government.

Delay in such a matter and in the particular circumstances in which we now find ourselves as a nation might involve consequences of the most embarrassing and deplorable sort, for which I, for one, would not care to be responsible.

It would be very dangerous in the present circumstances to create a moment's doubt as to the strength and sufficiency of the treasury of the United States, its ability to assist, to steady, and to sustain the financial operations of the country's business. If the treasury is known or even thought to be weak, where will be our peace of mind? The whole industrial

activity of the country would be chilled and demoralized.

We ought not to borrow. We ought to resort to taxation, however we may regret the necessity of putting additional temporary burdens on our people. To sell bonds would be to make a most untimely and unjustifiable demand on the money market; untimely, because this is manifestly not the time to withdraw working capital from other uses to pay the government's bills; unjustifiable, because unnecessary.

The country is able to pay any just and reasonable taxes without distress. And to every other form of borrowing, whether for long periods or for short, there is the same objection. What we are seeking is to ease and assist every financial transaction, not to add a single additional embarrassment to the situation.

The people of this country are both intelligent and profoundly patriotic. They are ready to meet the present conditions in the right way and to support the government with generous self-denial. They know and understand, and will be intolerant only of those who dodge responsibility or are not frank with them.

The occasion is not of our own making. We had no part in making it. But it is here. It affects us as directly and palpably almost as if we were participants in the circumstances which gave rise to it.

We must accept the inevitable with calm judgment and unruffled spirits, like men accustomed to deal with the unexpected, habituated to take care of themselves, masters of their own affairs and their own fortunes. We shall pay the bill, though we did not deliberately incur it.

In order to meet every demand upon the treasury without delay or peradventure, and in order to keep the treasury strong, unquestionably strong, and strong throughout the present anxieties, I respectfully urge that an additional revenue of \$100,000,000 be raised through internal taxes devised in your wisdom to meet the emergency.

The only suggestion I take the liberty of making is that such sources of revenue be chosen as will begin to yield at once and yield with a certain and constant flow.

[See current volume, page 771.]



While the Committee on Ways and Means was deliberating over a bill to provide for the deficit, the following was introduced by Congressman Warren Worth Bailey of Pennsylvania:

That a supertax of five per centum be, and is hereby, laid on all incomes, however derived, of \$20,000 or over, for the purpose of covering any deficit in Federal revenues resulting from losses in customs receipts due to the present war in Europe, said supertax to be assessed and collected in the same manner and under the same regulations as the tax on incomes provided for in the Act of October third, nineteen hundred and thirteen, entitled "An Act to reduce tariff duties and to provide revenue for the Government, and for other purposes": Provided that any moneys derived from the supertax on incomes of \$20,000 or over in excess of the amount necessary to cover said deficit in customs receipts

shall become available for expenditures in support of the Naval Establishment: Provided further, That if a surplus should still remain after all naval requirements shall have been met, the residue shall be applied in the payment of pensions authorized under existing laws to soldiers and sailors.

[See Current volume, page 794.]



Part of Navigation Laws Suspended.

The President on September 5 issued an order waiving certain provisions of the navigation laws in order to facilitate registration of foreign built ships. The clause requiring naval officers to be American citizens is suspended, as are also provisions regarding measurement, survey and inspection. [See current volume, page 805.]



Progressive Nominations.

At the Nebraska primaries on August 18 Laurie J. Quinby of Omaha received the Democratic nomination for State Senator. In the city of Omaha he was "high man." His statement of principles during the campaign was as follows:

I am for Justice in Taxation—

A Tax is a Fine.

Therefore—

Tax Privilege—not Enterprise.

Tax Indolence—not Industry.

Tax the Source of the Speculator's Profits—not the Home.

Tax Franchises—not Personal Property.

Tax Unearned Incomes—not Household Goods or Tools of Production.

Tax the "Vacant Lot Industry"—not those who Build.

Tax nothing that Labor makes, that can hide or run away, or that could or would come to Omaha.

So long as Omaha is compelled by the laws of the State to place an annual fine on those who come here with capital to build factories, to open up industries, to establish mercantile houses and employ labor, so long will her development be checked.

I favor a move by which these cities may adopt their own system of taxation.

If the foregoing principles were put into effect, Omaha, South Omaha and their suburbs would become the most attractive community in America.

The Republicans nominated for Governor R. B. Howell, an advocate of public ownership whose campaign was made on that issue. He secured the nomination in the face of reactionary opposition.

[See current volume, page 638, 664.]



In the California primaries on August 25 William Kent, the sole independent member of the present Congress, received the Progressive party nomination and possibly the Democratic nomination. His name did not appear on any ticket, but had to be written in by the voters. With returns still incomplete more than 11,000 voters are known