in response to a presentation of the situation by the Chancellor on the 17th, the Kaiser formally and vaguely yielded to the popular pressure by acknowledging that his "principal imperial task is to insure the stability of the policies of the Empire under the guardianship of constitutional responsibilities," and by approving the Chancellor's utterances in the Reichstag.

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The Hungarian Suffrage Bill.

The long demanded bill for universal suffrage in Hungary (vol. x, p. 758) was presented to the Chamber of Deputies by Count Andrassy, minister of the interior, on the 11th. According to press dispatches the bill provides that every Hungarian over 24 years of age who has resided in any commune for the space of one year is entitled to vote. Illiterates, however, will be assembled in groups of ten, and each group will have the power to select a single elector. As a further means of "preserving the ascendency of the intelligent classes" the bill provides for a system of plural voting, by which all electors over 32 years of age who have fulfilled their military duty and who have three children, are given two votes. Workmen who have spent five years at the same trade, as well as workmen who have graduated from specified classes of the secondary schools, also are given a double vote. Electors who have completed the full course of the secondary schools, or who pay $20 in direct annual taxation, are given the high privilege of voting three times.

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Results of the Cuban Elections.

On the 14th the voters of Cuba (p. 661), under American supervision, cast their ballots for President, Vice-President, senators and representatives for their national government. The Liberals (vol. ix, p. 801) won a sweeping victory, electing General José Miguel Gomez (p. 566) President by 183,823 votes, as against 118,329 for General Mario Menocal, the Conservative candidate. Alfred Zayas was elected Vice-President. The Senate is reported as Liberal, with but two Conservatives; and the House as probably two-thirds Liberal. On January 28 the Americans are to withdraw, and the second "government of intervention" will come to an end.

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Convention of the American Federation of Labor.

At the convention of the American Federation of Labor at Denver (p. 781), Mrs. Raymond Robins and Mrs. Anna Fitzgerald were among the platform speakers on the 12th. Other speakers were two fraternal delegates from Great Britain—Messrs. Wadsworth and Skinner—both of whom told of labor conditions in England. Raymond Robins also spoke on this day. According to the Denver Republican of the 13th, Mr. Robins held the convention for nearly two hours with an exhortation—

to get together and outline at the present meeting some definite political plan, whereby the Federation will stand committed to participation in all campaigns as a unit. In so doing he played directly into the hands of President Samuel Gompers and the members of the Executive Council, and expressed their desires in the matter exactly. That his words were taken with more than ordinary meaning and satisfaction by the delegates was shown by the fact that Mr. Robins was given an ovation when he closed his address, second only to that given President Gompers when he opened the convention last Monday. Mr. Robins's views, which expressed exactly the political ideas of President Gompers, were cheered for ten minutes after he had closed his address.

Agnes Nestor of Chicago has been elected secretary of the committee on education of the Federation—the committee which is to deal with the subject of industrial education in the public schools.

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The Cleveland Traction Question.

The traction property and service of Cleveland (pp. 782, 793), are now in the hands of two receivers, appointed by Judge Tayler of the Federal court at Cleveland, on the 12th, for temporary purposes. They are Warren Bicknell, a large owner of traction interests elsewhere, and Frank A. Scott, a Cleveland banker.

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In ordering the appointment of these receivers, Judge Tayler said, as reported in the Cleveland Press of the 12th and the Cleveland Plain Dealer of the 13th, and here reproduced in full:

The complainant is the trustee of certain mortgages, securing over $8,000,000 of bonds. One of these mortgages for over $2,000,000 covers the Cleveland City Cable Railway Co. lines, aggregating some 30 or 35 miles of single track, or about one-eighth of the entire system.

The defendant, the Municipal, is the lessee of the Cleveland Railway Co., the owner of all the lines. Except as lessee, it has practically no assets. Besides the traction system itself, it came into possession, as lessee, of certain other assets, and assumed certain obligations of the lessor company. It has been operating the system for a little more than six months, and manifestly has earned no appreciable amount above interest on the bonds of the lessor company and rental to the lessor itself. I think it quite apparent that the necessities of the situation are such that it has in these six months sustained a heavy loss. Only a most careful inquiry into the character of the betterments claimed to have been made and into the large number of accounts of the lessee would justify even an approximate estimate of the extent of this loss.

The refusal of the Municipal to comply with the request of the Cleveland Railway Co. to submit to it

duplicate vouchers and journal entries referable to payments made under section 6, article 3, that is, the guarantee fund, while not affecting the final fact as it may appear in truth to be, yet makes necessary an examination of every one of these items or vouchers before we can know how it ought to have been charged.

Besides this loss from operation there is also the loss derivable from the obligation to pay par and accrued interest on all stock sold under the guarantee. This may be much, or little or nothing—according to circumstances.

It is fair to say that the mere fact of 3-cent fare is not the only cause of this result, or that it demonstrates that when the public has fully adjusted itself to payenter cars that rate of fare might not be sufficient to pay the fixed charges. An answer to that question is not necessary to a determination of the question here presented.

The lessee company no longer has a right to remain in possession of the leased property; the lessor, the Cleveland Railway Co., is apparently entitled to possess a part, if not all, of it. This is not an action to put the lessor back into possession; up to this time it is merely a proceeding brought to protect the rights of the bondholders, whose property rights are paramount to the rights of the stockholders of either the lessor or lessee company.

So far as the bondholders are concerned we behold the spectacle of a lessee in possession, with no right to the possession, of the mortgaged property, refusing to yield up possession, and with no actual enforcible responsibility to anyone for any wrong it may do to the leased and mortgaged property; for, by whatever theory we construe the figures which these books may disclose; whatever allowance may be made for betterments; if we strip the Municipal of the credits which it has merely because it is lessee, that is, credits which, in the last analysis, belong to the Cleveland Railway Co., and charge against it its manifest liabilities, it has no assets at all, or none of any significance.

Certainly, there is no substantial claim that it has created a real surplus from the operation of this property. Under all the circumstances it could not be expected to do so. If it had the right to remain in possession of the leased property, we would have a somewhat different situation, although that might not change the ultimate rights of the bondholders.

Now, under these circumstances, what are the rights of the parties? A financially irresponsible tenant—in the sense in which I have used this term—holding over its term and refusing to return the leased property to the lessor; a mortgage for over $2,000,000 on a small part of the leased property coming due next July; the mortgage entitled to a lien on the net earnings as well as on the corpus of the property; the franchise to operate on the streets involved in that mortgaged property expiring next year, with the result that the property covered by the mortgage may be sold as scrap—at least, it will have no other right in the streets than as scrap.

I have heard it claimed, indeed, as a matter of law—though not in this proceeding—that it did not even have that right. It is no answer to this to say that the probabilities are that it will bring a fair price from the successor to the franchise. That is, perhaps, true; but that does not justify the permission to a company of no financial responsibility, which has no right at all to the possession of the property, to continue in its possession and operation, harassed, as it would be, all the time and from every quarter. Every instinct of right, it seems to me, protests against such a proposition.

It is peace, not war, which we must seek. Possession of this property was taken rightfully, but it is withheld wrongfully, and, so far as the legal rights of bondholders or other creditors are concerned, it is here to be dealt with in the same way as if it had been violently and unlawfully seized and operated.

It is not necessary, in coming to this conclusion, that I should opprobriously characterize the acts or any of the acts of the officers of the Municipal. I see no ground for it. The truth does not require or justify it. The development of the facts here, while showing many irregularities, does not produce in me a change of mind from that which induced me to vote for this ordinance and to regret its defeat.

But the net result is chaos—manifest chaos—as to all parties interested in this property; and this includes the Municipal as well as all other interests.

I dismiss as unimportant the question as to whether the $2,000,000 mortgage, through the after acquired property clause or the consolidation proceedings, attaches to any other property. If we assume that to be a fact, we are at once involved in the complication resulting from the necessity to consider in that connection the rights of the other mortgages.

Now, besides the financial irresponsibility of the Municipal, disassociated from its lesseeship, there is ground for the argument that it is practically so even on the admitted facts. Its claimed solvency as lessee depends, among other things, on the betterment items in its accounts, but these are unavailable unless stock of the Cleveland Railway Co. can be obtained for them. This they cannot obtain because stock cannot be sold at par. How could it be expected that that stock would sell at par with the situation as we find it, wholly regardless of the merits of the controversy?

And so as to the liability for guaranteed Forest City Railway and Cleveland Railway stock. Whether that contract is legal or illegal is unimportant in this respect, because it is claimed to be, as it in fact would seem to be, a moral, if not a legal, liability. It may be assumed that an effort will be made to be faithful to this moral obligation.

In the mass of facts developed in this hearing, we learn that the Municipal has paid out, on account of that guarantee, about $30,000, thus giving a preference to some stockholders of the Cleveland Railway Co. over other stockholders.

I can see one way, and only one way, by which that guarantee obligation can be kept and at the same time keep faith with the creditors of the Cleveland Railway Co. and of the Municipal; and that is, by appreciating all the stock of the Cleveland Railway Co. to its par value. As long as the Municipal remains in possesison of the property, without the right of possession, its obligations to these guaranteed stockholders will increase in amount in direct proportion to its inability to meet them. Indeed,

under the present conditions, no values can be constant and no creditor can be secure.

With peace and patience and justice, with an impartial administration of the property in the interval, while all rights are being declared and enforced, I do not doubt that values will be restored in popular esteem, and that all—the public, the owners of the property and creditors—will come fully into their own.

A claim is made that no action ought to be taken until all the parties in interest are restored to their several rights as they existed prior to the execution of the lease, and especially that the property of the Forest City Railway Co., be restored to it. This question must, of course, be ultimately answered; the rights of all parties interested must be declared and enforced. It is manifest that at this moment no restoration can be made to anyone—no more to the Cleveland Railway Co. than to the Forest City Railway Co. What we are now concerned about is, how to so preserve the property as to protect everybody and give no undue advantage to anyone.

In coming to a conclusion that a receiver ought to be appointed no final right of anyone is determined. This necessity is nowhere more cogently stated than in the reasons set out in the bill filed by the Forest City Railway Co., which was evidently prepared by Mr. Westenhaver or his firm, and is now vouched for by Mr. Winthrop, both of whom appear here in the attitude of opposing, from the standpoint of the Municipal, the appointment of a receiver.

It seems to me that it is only pursuing a course whereby this property which is so vigorously contended for is withdrawn for the time being from the possession of those conflicting parties who claim it, and administered absolutely for the benefit of all concerned, that a final adjustment will be made of the controversy, and this adjustment, it is hoped, will result in such a public grant to the owner or owners of the property as will return absolutely nothing more than a fair interest on the actual investment, while the people, still retaining their sovereignty over the public highways, will receive the best possible service at the lowest possible cost; and when that occurs, as surely it will if wisdom prevails, those who have for years fought for it will have their reward.

Before delivering this opinion, Judge Tayler exacted of the old company interests a stipulation that no forfeiture of the lease to the Municipal company would be claimed.

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A formal public statement of business policy was made by the receivers on the 13th, as follows:

Practically the entire day has been spent in conferences and in attending to those formalities which are a necessary part of a receivership. In all matters of importance the policy of the receivers will, of course, be determined by Judge Tayler. Under the direction of the court the receivers will take such action as may be necessary to conserve the property, and, if possible, to improve the service. Indeed, the convenience and accommodation of the public are regarded as of the utmost importance. While a receivership is naturally of public interest, the present receivership is of special interest to the public, and this is fully recognized. There are many matters of detail which are important, but which cannot be acted upon until the receivers have had opportunity to become fully acquainted with the conditions confronting them.

NEWS NOTES

—Belgium formally assumed control of the Congo Independent State on the 15th (p. 541).

—The Russian Douma (p. 757) on the 14th re-elected as its president Mr. Nikolai Khomyakoff (vol. x, p. 805).

—By an explosion in the Radbod mine near Hamm in Westphalia, Germany, on the 12th, 339 miners lost their lives (p. 541).

—The Cleveland municipal lighting plant has netted a surplus of $19,811.10 for the first ten months of the current year.

—Of the labor leaders invited by President Roosevelt to dine at the White House (p. 782), John Mitchell, James Duncan and Daniel J. Keefe declined the invitation.

—The postal deficit of the United States for the fiscal year ending June 30, 1908, is reported at $16,910,279—the largest deficit in the history of the Postoffice Department.

—Dr. David D. Thompson, editor of the Northwestern Christian Advocate, died on the 10th at St. Louis from injuries received from an automobile which struck him as he was crossing a St. Louis street.

—The new divorce law for South Dakota, increasing the period of residence from six months to one year, was carried at the referendum on the 3d by a vote of about two to one. The official figures are not yet reported.

—The fourteenth annual meeting of the National Municipal League, the sixteenth national conference for good city government, and the fourth annual meeting of the American Civic Association, were held together, in joint session, at Pittsburg on the 16th.

—At a meeting on the 16th of the "steering committee" of the Chicago Charter Convention (vol. x, pp. 577, 585, 601)—which has undertaken to formulate a new charter for adoption by the people—a bill establishing municipal suffrage for women in Chicago was adopted by a vote of 6 to 4.

—The petition of the Federal Government for a rehearing of the appeal of the Standard Oil Company of Indiana for the judgment fining it $29,240,000 (p. 518) was denied on the 10th by the United States Circuit Court of Appeals at Chicago, consisting of Judges Grosscup, Barker and Seaman.

—The suffragettes of London carried their campaign (p. 733) into a church on the 12th. Augustine Birrell, Chief Secretary for Ireland, while addressing a meeting in favor of disestablishment at the City Temple, was subjected to repeated interruptions. Nearly a score of the adherents of the suffragette movement, men and women, were ejected from the