

of the Sherman anti-trust law for a corporation to attempt to destroy a competitor by selling at a low and unprofitable price where it has competition, and at an exorbitant price where it has no competition. In what respect is our plan more socialistic than the plan which Mr. Taft indorses? Merely in the fact that ours can be enforced. According to Mr. Taft's logic, a plan is not socialistic which is not effective, but the same would be socialistic if made effective. Why should a corporation supplying twenty millions of people—for a corporation controlling twenty-five per cent of the total product supplies one-fourth, or more, of our population—should such a corporation be permitted to sell at one price in one part of the country and at another price in another part? What reason can a corporation have for such discrimination? Prices are not made as a matter of favor; when a big corporation sells to the people of one section at one price and the people of another section at another price—the cost of transportation being taken into consideration—there is a reason for it, and in almost every case the reason is to be found in the effort to destroy a competitor. One of the most familiar methods of the trust is to undersell a small competitor in the small competitor's territory—the price being maintained elsewhere—until the small competitor is driven to bankruptcy and then the price is raised. That has been done over and over again. It is open and notorious; and yet, with the republican party in complete power at Washington, what effort has been made to prevent this. This remedy, although vehemently denounced by Mr. Taft, will appeal to the average man as not only very salutary, but very necessary."

THE NEBRASKA LAW

Special dispatch to the New York Herald: Lincoln Neb.—A six year test of the Nebraska anti-trust law, in so far as it affects local unfair discrimination, has proved successful, in the opinion of the officials whose duty it is to look to its enforcement. The original anti-trust enactment of 1897, which was found ineffective, was materially amended and added to at the legislative session of 1905 in what is known as the Junkin anti-trust law. Its strong point is in prohibiting discrimination in the selling price of any article. In other words, the anti-discrimination section provides that prices must be the same for any commodity in every part of the state, affected only by the difference in the cost of transportation or quality of the article.

The wording of the statute is as follows:

"Any person, firm or company, association, or corporation foreign or domestic, doing business in the state of Nebraska and engaged in the production, manufacture or distribution of any commodity in general use, that shall intentionally for the purpose of destroying the business of a competitor in any locality discriminate between different sections, communities or cities of this state by selling such commodity at a lower rate in one section, community or city than is charged in another section, after making due allowance for the difference, if any, in the grade or quality and in the actual cost of transportation from the point of production if a raw product, or from the point of manufacture if a manufactured product, shall be deemed guilty of unfair discrimination, which is hereby prohibited and declared unlawful."

The penalty provided for violations is a fine of from \$500 to \$5,000 or imprisonment in the county jail not to exceed a year or both. Forfeiture of charters and ousters from the state in the case of both domestic and foreign corporations is provided following trial and conviction.

Under the original anti-trust law two successful suits were prosecuted by the state, first in the case of the grain elevator combine, which was compelled to dissolve, and again in the case of the Nebraska Lumber Dealers' association, which after a bitter struggle was forced to disintegrate.

A number of suits under the anti-discrimination section of the enactment have been instituted in the last three years, and in not a single instance, so far as there is record, has there been a failure to convict. In a number of these cases appeals have been taken to the supreme court, with the result that the highest tribunal of the state has sustained the validity of the law.

One of the recent actions was that in one of the smaller towns where existed two grain buying firms, one an independent elevator and the other belonging to a company having a line of elevators in this and neighboring states. Both firms at the outset paid practically the same prices for grain, but on account of the better

acquaintance of the independent dealer he was getting the bulk of the grain brought to the town by the farmers. To meet this condition the line company forced up the price of grain to a figure out of proportion to the ruling prices in the state for this one town alone, while other elevators of the same company in nearby towns, where no competition existed, paid a price per bushel much lower. The effect was to drive the independent dealer out of business, and suit was brought under the anti-discrimination section of the law. The independent dealer won in the lower court, and on appeal the supreme court sustained the decision.

Railroad companies at first fought the statute, alleging it was inconsistent, but so far as known there has been no infraction by the carriers for two years.

"THE OLD SHIP IS LEAKING"

At a republican convention, held in Nebraska at the time of the populist uprising, a famous republican, acting as chairman, warned the gathered hosts that "the old ship is leaking now."

The Washington correspondent for the New York World describing the meeting of the republican national committee told of the notable developments in this way:

"1. Turning of the cabinet room of the White house into a battle ground for a conflict between two factions of the party over the selection of the chairman of the committee on arrangements for the next convention, with the president of the United States as an unsuccessful umpire.

"2. An open declaration of war by the anti-Taft men against his renomination on the ground that he can not be elected.

"3. The abandonment of the "progressive" and "new nationalist" issues in the fight against the president and the resort to the old-time methods for factional supremacy.

"4. The discarding of the boom for Senator Robert Marion La Follette of Wisconsin and the raising of the standard of Theodore Roosevelt by party chieftains who have been publicly branded by him as reactionaries and stand-patters.

"5. The official declarations of chairmen of the republican state committees of two states that Mr. Taft can not be re-elected if present conditions continue through the coming campaign.

"6. The apparent inability of President Taft to prevent an open breach in his party as a result of the aggressive attitude of his adversaries who have assumed command of the movement to bring about the nomination of Col. Roosevelt in order to prevent his own."

Surely it may be said of the national republican party, "The old ship is leaking now."

THE AMERICAN BEAUTY ROSE AGAIN

Away back in 1908 Rev. Newell Dwight Hillis said: "The saddest words that have been written in this generation were spoken before Brown university by a young man who is to inherit one of the greatest fortunes in this country. They were spoken in defense of the trusts. Listen to them:

"The American Beauty rose can be produced in all its splendor only by sacrificing the early buds that grow up around it." The rose has 1,000 buds and in order to produce the American Beauty the gardener goes around it with a knife and snips 999 in order that all the strength and beauty may be forced into one bloom. In his economic arguments, this young man brutally tells the working classes that 999 small business men must be snuffed out of existence in order that his American Beauty, the trust, may be produced."

In a recent issue the New York World printed this editorial:

"John D. Rockefeller, jr., in his celebrated Bible-class parable of the rose, instanced the gardener's method of cutting off all but one bud from the stem to produce the perfect American Beauty, and showed the application of the idea to the trust question.

"An example of the pruning processes by which the elder Rockefeller was evolved into the perfect rose of trust finance is furnished by the testimony of Albert and Leonidas Merritt before the Stanley Steel trust investigating committee. The testimony of the brothers illuminates the methods by which it is alleged Albert Merritt was compelled by Rockefeller's calling of a loan of less than \$1,000,000 to surrender at \$30 a share stock which has since earned dividends of \$200 a share, and to sacrifice at a nominal figure a tenth interest in a railroad which last year is represented to have earned

\$8,000,000. The negotiation of the call loan through ministerial influences carries out the analogy of the parable.

"The process is doubtless somewhat painful for the buds that are cut off. But it is thus that perfect roses are produced in horticulture and in high finance. The point of popular interest is as to how far under the Sherman act the law of the garden agrees with the federal statutes."

A DEFENDER OF CRIME

The Joplin Daily Globe, which used to be one of the leading democratic papers of southern Missouri seems to have gone over body and soul to the trusts. In an editorial printed recently it presented an elaborate defense of the steel trust. After defending the organization and methods of the steel trust, the Globe concludes:

"Industry, thought, civilization, can't go back. This is a day of big visions and big achievements. It is a day of Big Business. If the world is to live at its present standards the business of the world must be conducted by big men on a big scale.

"We can't turn back the clock. We can't stop it. And who would want to do it if he could? There isn't a yesterday anywhere along the road of time that compares with today in the vital respects of the world's comforts, prosperity, culture, happiness, opportunity.

"The men who are at the head of the steel corporation are master minds. They are leaders today because this is a day of business. The counterparts of just such minds were the great generals in the days of militarism, great ecclesiasts in the days of church dominance, the warriors bold in the days of chivalry.

"The law may fetter genius but it never created talent.

"It is difficult to perceive what in the way of betterment it is hoped to accomplish by the disintegration of great industrial enterprises that have yielded as much, if not more, to the world than they have taken from the world.

"What are the fortunes of a few multi-millionaires as against the standard of living which the amassing of such fortunes has established?

"What must be the end of a propogandum that holds an exceptional degree of success a crime?"

If the attorney for the steel trust had written the editorial it could not more servilely support the great corporation which is now before the court. It is surprising that any paper in the west should attempt to defend the steel trust. Wall street organs are under a sort of terrorism and little else can be expected of them except praise of the great predatory combinations, but a paper published as far west as Missouri ought to be able to take the people's side of a great question like this. The argument that the trust is a natural development or necessary to the nation's progress is an argument that could be made just as well in support of burglary, horse stealing or any other kind of crime. A private monopoly is indefensible and intolerable. This has been three times the declaration of the democratic platform, and the truth of the statement is becoming more and more apparent. Industry will not go backward when it is freed from the strangle grasp of monopoly. Thought will not go backward when it is free from the coercion of the exploiters. Civilization will not go back when the commercial seas are freed from the financial pirates that now assume the right to plunder at will. This is a day of big visions, but one can not claim that his vision is large if he sees no escape from the operation of the trusts, and it is not a big achievement to defend grand larceny. It is time to distinguish between the doing of business on a large scale and the overthrow of competition. The trust magnate is not the first genius who has felt himself fettered by the law. Nearly every Napoleon of finance has made the same complaint. It is fortunate that Jasper county has in "The Tribune" an antidote for the Globe's poison.

"BE SURE YOUR SINS WILL FIND YOU OUT"

Members of the American beef trust have received the following letter from the representatives of the British government:

"War office, London S. W. In reference to contracts of the army. In reply to your letter, I am directed to inform you that pending the ultimate result of the legal proceedings in the United States against certain meat-packing firms, it has been decided by the British government that none of the firms involved shall be invited to tender for army supplies.

"N. S. B. OSBORNE,
"Director of Army Contracts."