THE DAILY RECORD-UNION.

SATURDAY.................JULY 29, 18·2

Meteorological Observations—Taken at Signal Station at the Same Moment.

SACRAMENTO, July 28, 1882—8:02 P. M.

Places of observation.	Hight of barom..	Ther....	Direction of wind, velocity	Character of wind force...	Rain in 24 hours...	State of the weather
Olympia....	30.15	65	Calm	Calm..	.....	Clear
Portland....	30.13	68	N. W. 6	Fresh.	.....	Clear
Roseburg...	30.04	73	N. W.	Light.	.....	Clear
Red Bluff...	29.79	92	Calm	Calm..	.....	Clear
Sacramento.	29.84	73	S. W. 9	Fresh..	.....	Clear
S. Francisco.	30.00	55	S. W. 20	Brisk..	.....	Foggy
Visalia.....	29.84	84	W.	Light..	.....	Clear
Los Angeles.	30.01	63	S. W. 7	Fresh..	.....	Clear
San Diego..	30.02	65	W.	Light..	.....	Clear

Maximum temperature, 93; minimum, 60.
River above low-water mark, 9 feet.

JAMES A. BARWICK,
Sergeant, Signal Corps, U. S. A.

IT IS THE DESIRE

Of all thoughtful men to possess for the office and the household a first-class news journal. The WEEKLY UNION is such a paper in every respect. It is a newspaper that long has been and is constantly extending its circulation and widening its influence. Its success is remarkable, and is due not only to its high literary character, complete news department and masterly editorial reviews, criticisms and debates, but to the fact that it reaches its readers in advance of all other weeklies, and is, therefore, fresher, more frequent, and in every way more desirable. It is a sixteen-page paper, issued twice a week, in eight-page parts, and is mailed to its readers Tuesdays and Fridays. One is not compelled to wait a whole week in order to learn the news of the preceding day. The agricultural department of the WEEKLY UNION, prepared by a practical and long-experienced farmer and agricultural observer and critic, makes it peculiarly valuable to the farmers of California. The WEEKLY UNION is mailed to any address, post-paid, one year for $2 50.

THIS MORNING'S NEWS.

In New York Government bonds are quoted at 120⅝ for 4s of 1907; 114¾ for 4½s; 101⅛ for 3½s; sterling, $4 86@4 89; silver bars, 113¼.

Silver in London, 52d; consols, 99 15-16d; 5 per cent. United States bonds, extended, 103; 4s, 123; 4½s, 117.

In San Francisco half dollars are quoted at ½ discount to par; Mexican dollars 91@91½ cents.

After the regular session of the Stock Board in San Francisco yesterday morning, the Comstocks were dull and steady at previous rates.

The Democratic County Convention of Fresno county meets at Fresno to-day.

Nicholas Peters killed himself at San Francisco yesterday.

Fire at Halistone, Mass.

The race for the Chichester stakes at Goodwood, Eng., yesterday, was won by Scobel, and in the race for the Molecumb stakes a dead heat was run between the Salvador colt and St. Blaise.

B. F. Bigelow, the defaulting Receiving Teller of the National Bank of the Republic at Washington, has been arrested in Michigan.

Mexican Frank, a mulatto, has been lynched near Gazasia, Tex., for killing Deputy Sheriff McCullough.

Isaac Turner (colored) was hanged at Lexington, Ky., yesterday, for the murder of A. Ray.

The Iowa State Prohibitionist Convention adjourned at Des Moines yesterday, without accomplishing anything definite.

A freight train of 29 cars left San Francisco July 13th, and made the run to Kansas City in five days and six hours.

The Indianapolis and St. Louis Railway was yesterday sold for $1,396,000.

Arabi Pasha offers to retire to a Mussulman monastery in Syria.

Helmeted natives in European clothes are paraded in Cairo as captured British.

It is denied that Arabi Pasha declared that he would resist the Turkish forces if sent to Egypt.

During the past week 111 business failures occurred in the United States.

A Mormon Bishop left New York yesterday with nine female converts, stating that he would marry them all when he got to Salt Lake.

Two masked men robbed a stage near Shreveport, La., yesterday.

Rev. Harvey Stearns, in an affray at Fort Worth, killed a man named Jefferson with a club.

The Greenbackers of the Fifth Iowa District have nominated Erastus E. Potter for Congress.

The motion in the House of Commons for a vote of credit for the Egyptian expedition was carried by 275 to 19.

A gambler has been sued by the Logansport (Ind.) Bank to recover $10,000 lost at faro by Cashier Goodwin.

A thunder-storm has partially checked the forest fires near East Tawas, Mich.

The Railroad Commission adjourned at San Francisco yesterday until August 15th.

The drowned body of Charles Wilcox was found in Clark's Fork, Oregon, Thursday.

George Coswell, a railroad employe, was beaten nearly to death at Rock Island, Mont., by a notorious rough called "Red."

The death sentence of John C. Powers has been commuted by the Governor of Oregon to imprisonment for life.

A residence was destroyed by fire at Portland, Or., yesterday.

Another account of the murder of Cummings, on Snake river in Washington Territory, is given this morning.

The body of the late American Minister Marsh was interred in the Protestant Cemetery at Rome, yesterday.

John Houston, a printer, has mysteriously disappeared from Boise City, Idaho.

The wooden wing of the Colusa House, at Colusa, was destroyed by fire yesterday.

Anna Parnell is dangerously ill with brain fever, and but slight hopes are entertained of her recovery.

The Louisville Jockey Club will give a ten days' running meeting, beginning September 20th.

The Nebraska State Temperance Convention adjourned at Lincoln yesterday.

The contest between rival candidates to be principal chief of the Choctaw Nation, in Indian Territory, is an exciting one, and it is feared that bloodshed may result.

THE Reading *Independent* says: "The people have been disabused of the erroneous idea that the Sunday law is a question of religion and a creation of priesthood, and are fully alive to the fact that it is a statute designed to preserve the rights of the laboring man—to bring the greatest good to the greatest number. Even the Democratic papers dare not support their own platform on this subject, but are forced to try and explain it away. Men who now engage in business on Sunday would hail the uniform enforcement of a holiday statute with pleasure, as it will give them a day of much needed rest."

THE Sierra county *Tribune* says: "The SACRAMENTO RECORD-UNION is hitting the nail square on the head in regard to the demagogic attacks on all Sunday laws. It is not a religious question at all, or even a question of morals. It is a question of protecting or not protecting certain rights or necessary privileges of the working class of society in this State, and giving them one day which they can call their own. The physical well-being of the people is all there is about it, and all that there is needing to be protected."

IN this issue of the RECORD-UNION will be found a table of much value and interest. It is an official exhibit, from the United States Treasury Department, of the national debt from 1856 to July 1, 1882, inclusive. It presents all the details of the debt and interest in an exhaustive analysis, showing both in all their stages, their rise, increase and declination, and their per capita relation for each year, together with other interesting data. It should be carefully examined and preserved by all thoughtful citizens.

THE Los Angeles *Express*, excusing General Stoneman, says: "Cavalry as well as infantry must surrender when all chances of retreat are cut off." Yes, that's the matter with the General this year. But there are people who think fighting is better than retreating. However, a good "retreater" saves his "bones."

SAYS the San Francisco *Exchange*: "If General Stoneman traveled to Washington on a pass from the railway company, and the *Examiner* admits that he did, why did he draw mileage at all? Why not leave it in the treasury, where it belonged?

THEY have a stand-off on the Democratic ticket for the Union General at the head. It appears that Judge Ross was in the Confederate service.

TRAVELING IN A VICIOUS CIRCLE.

It will not be creditable to the general intelligence should it patiently tolerate a mode of treatment on the part of the demagogues which so obviously takes for granted the stupidity of the masses. The present Democratic programme is in fact an open insult to the public judgment. It is equivalent to an expression of contempt for the popular sagacity. It is a deliberate endeavor to capture the popular vote by a line of action which leads over a well-traveled path to certain defeat and disappointment. The Democratic managers have no issue upon which they dare to go before the people, and so they have undertaken to manufacture one out of pretended hostility to the railroads. It is notorious that these same Democratic managers made the most desperate efforts to form an alliance with the railroads prior to the Convention at San Jose. The extent of their sincerity may be judged from this. But the whole line they have taken is not only old but utterly discredited. They have, in the recklessness of their demagogism, put behind them the experience of the past twenty years. They have set out to make a war upon the railroads which is foredoomed to result in nothing because of its folly and ignorance and perverseness. The railroads have nothing to apprehend from men who attack them with propositions for a twenty per cent. flat reduction on fares and freights. The very extravagance of such propositions renders them entirely harmless. But they are by no means as harmless to the people. The unscrupulous rogues who masquerade behind anti-monopoly disguises, and who are always prepared to sell out at half an hour's notice, have never done anything but to delay the accomplishment of real reforms. They are arrant quacks, who only aggravate the diseases they pretend to cure, and who, by confusing the public mind, render insoluble problems which would yield to sober and dispassionate and patient treatment.

Several years ago Charles Francis Adams observed, in the same connection: "What is called the railroad problem "seems to me, now more than ever, a "thing perfectly easy of solution; and "yet one the practical solution of which "is, under existing circumstances, hardly "to be hoped for. The difficulties in the "way are very obvious. Our laws, the "political catch-words which outweigh "all argument, and an uninformed public "opinion, do not allow the railroad system to follow out quietly its natural "course of development, subject to an intelligent restraint when that development runs into essential abuses. We "are always pounding away at it, it is "true, but generally after a crazy, "mistaken fashion, or on some false or "quite immaterial issue. The weak points "of the system are not generally known; "the patience necessary to find them out "is looked upon as a sign of timidity or "treachery; and thus every attempt at "dealing with a really great and intricate "subject takes, soon or late, the form of "a new quack cureall legislative pill." Does not every word of this apply to the history of the railroad question in California? That history is a record of numerous "crazy, mistaken" assaults upon the railroads, inspired by ferocious malignity, united with a blind desire to destroy the corporations, destitute of reason or tolerance or patience or common sense. And what has been the result of these violent assaults? We reply, nothing but froth and noise. The absence of intelligence in the movements has deprived them of all significance, and they have every one ultimately broken up as a roaring line of billows is broken up when it hurls itself upon a rocky coast.

The sound and fury of these Anti-Monopoly movements have availed them nothing but to delude the people. They have gone on to the last pursuing phantoms of their own creation, and at the first touch of cold facts they have dissolved and disappeared. It might have been thought that this experience, which has been repeated several times, should have by this time enlightened the public. Perhaps it has. Of that the election will be the best test. But the Democratic politicans evidently believe that the worn-out and discredited old barbarous methods are still good enough to bait their hooks with, and so they proceed to beat the Anti-Railroad tom-toms in the familiar fashion. The Republican party has now an opportunity to utilize the Democracy as a shocking example. It is left to the Republicans to show their appreciation of the intelligence of the public by avoiding the blunders and crudities into which the demagogism of their opponents has led the latter. Experience has proved in the most definitive way that the railroad problem never can be solved in the way the Democrats propose to solve it. That has been tried, again and again, and has failed. It has been tried so often, and has failed so signally, that only an uncommonly impudent knave or stupid fool would pledge himself at this time to try it again, or would pretend to regard it as a practical line of policy.

Even when demagogues find themselves in office they are often compelled by the inexorable force of circumstances to reason logically. As an instance of this we will give an extract from the report of General Stoneman when he was Chairman of the Railroad Commission. He then said, officially: "A proposition to fix by law "the rates of freight on each commodity "transported, is a proposal to determine the "proportions in which the difference in "terminal values shall be divided between "the producer and the carrier, and to "value the share allotted to the latter in "advance. But difference of terminal "values is so utterly different in the cases "of the innumerable variety of different "commodities carried; so varies, even in "the case of the same commodity, with "seasons, places and circumstances; is so dependent, in many instances, on the course "of market values abroad, which fluctuate "even from day to day, that it is simply "impossible to frame a tariff based on such "division, which will not prove either ineffectual on the one hand, or unjust on "the other." The man who subscribed to these views now declares himself in favor of a full twenty per cent. reduction of rates. He knows that such a reduction is impracticable. He knows that to attempt it would paralyze transportation and block the wheels of industry. But because he is a candidate, and thinks the people are credulous fools, who will swallow any fatuous nonsense, he takes this position. Brought face to face with the facts he could not withstand them; but now he is only dealing with what he regards as an ignorant and prejudiced public, and so he is willing to say anything. But the whole Democratic programme travels in a vicious circle. It is the same old story over again. The same quack remedies. The same certainty of failure. The Republican party can best oppose this by assuming that the California voter has intelligence, and knows when he has been hoodwinked, and by taking a manly, explicit, impartial and enlightened position upon the question of corporate interests. To copy after the Democracy is ruin. To take issue with them squarely promises victory.

THE POOR MAN'S DAY.

Sunday is emphatically the poor man's day. It is the one holiday a week which he has not to buy for himself. It is the one day upon which he can feel in some degree independent. On that day alone can he choose his own occupation, dispose of the hours to suit himself, rest from his toil, refresh his brain and weary muscles at once, attend to his family, and do something to civilize himself and those who belong to him. The abolition of this Sunday holiday would do more to brutalize the masses than any other change that can be conceived of. Not even free whisky would so surely and hopelessly enslave and degrade the toiling millions. Yet the Democratic party of California, in State Convention assembled, has pledged itself not only to the repeal of the existing Sunday law, but to the prevention of any legislation having the same end in view. This is the same Democratic party which professes to be the special champion of labor. In adopting the fifth plank of the San Jose platform it has betrayed its alleged friends and proteges, and has done what it could to deliver them over, bound hand and foot, to mental and physical degradation. There need not be any question of religion in this discussion. The inevitable consequence of the success of the Democracy in their present raid upon Sunday legislation can be perceived as clearly by the agnostic as by the Christian. It is the abolition of the rest day at which their plank is aimed; and it requires no special keenness to see that this must follow the repeal of all Sunday legislation. It is the most insidious, deadly blow to the comfort and happiness and future prospects of the poor man that has ever been struck by a political organization, and the people have not been slow to realize this fact. Nor can the Democratic journals lessen the significance of their platform by asserting that they, speaking for themselves, are in favor of the Sunday holiday. They cannot speak for their party. They cannot set aside its official declaration of issues and principles. If it carries the State in November the meaning of its victory will be interpreted in no other way than by the platform. It will be at once claimed and perforce conceded that the people of California have consented to the abolition of Sunday. And therefore there is no escape from the conclusion that every vote for the Democratic ticket will be a vote for the abolition of the poor man's holiday. These are the plain facts of the situation. We lay them before Democrats as well as before Republicans. We challenge all whom it may concern to dispute the proposition that a Democratic victory must be regarded as a popular indorsement of the Democratic position on the Sunday law. Nor is there any room for doubt as to the meaning of the Democratic declaration. There is the platform, for all to read, and we confidently affirm that out of that fifth plank it is impossible to deduce any other conclusion than that which we have stated.

THE CONTRACT SYSTEM.

We print this morning a letter written by Mr. J. C. Stubbs, the General Freight Agent of the Central Pacific Railway Company, to the *Examiner*, in explanation and vindication of the much-abused contract system. The statement of Mr. Stubbs speaks for itself. It is an entirely lucid and sufficient answer to the wild and foolish assertions which have been made by the *Examiner* and *Chronicle*. The former of these journals has published an article upon the letter which only shows that the Bohemians who conduct that paper have received orders not to trust the railroad company with even an appearance of fairness. The statement of Mr. Stubbs cannot be met by the *Examiner*, and it will convince every candid reader that the system which has been so decried is in all respects perfectly fair to the shippers. The one fact that every such contract is sought by the latter, indeed, should be of itself sufficient to disprove the monstrous fables which have been circulated in this connection. The real fact, however, is that merchants constantly endeavor to obtain commercial advantages over one another by this means, and that many of them resent the efforts of the railroad company to maintain equality between them. How this is done we will endeavor to explain by an illustration. A is a hardware merchant, but has a specialty in, say, axes. Of these he imports several carloads a year, but he does very little in, say, shovels. Now A will go to the railroad company and negotiate for a special contract, and when he and the freight agent are making the rates on the several articles comprising the schedule, he will ask for a very low rate on axes. To obtain this he is perfectly willing that the rates shall be marked up on goods of which he imports comparatively little, and he will casually suggest that he can stand a high rate on shovels. He does this well knowing that his neighbor B has a specialty in shovels. Next day B comes in to get a special contract, and the freight agent at once shows him the contract made with A. He glances down it and perceives that shovels have been marked up, and of course inquires the reason. The agent can only reply that A himself proposed the arrangement. "And well he might," says B. "For while he knows that I import "twenty carloads of shovels every year, "he himself does not sell half a carload!"

Of course it is impossible for a railroad freight agent to understand the inside of every man's business. As Mr. Stubbs says, the shippers themselves for the most part make their own rates, simply because they alone can tell what arrangements it will pay them to make. But the shippers often undertake to get the better of the railroad company, and it is to defeat these combinations that it has been found necessary to make the contracts as binding as possible. Two merchants, for instance, will agree between themselves to make contracts with the railroad company, and in doing so each will propose high rates for articles of which he imports very little, and at the same time secure low rates on something which the other sells a great deal of. Then they exchange goods, and so defeat the contract. Another method has been for a shipper by rail to arrange with a shipper by sea on the same principles, and thus to secure all the advantages of all-rail carriage for two firms, at the expense of one contract. Of course, when shippers are playing these and similar tricks it often happens that somebody gets hurt, and then there is resentment and outcry. But nothing can be more untrue than the assertion that there is any coercion or oppression about the system. The shippers make special contracts because they see that they can make money by it. The open rates are free to everybody, and they are the same for all. Every merchant knows what they are, and if he prefers a contract it is because he believes that it will give him greater advantages than the open rates.

As Mr. Stubbs points out, the contract system does not suit the heavy importers. What they want is a guarantee of tonnage, because under that system they would have a perpetual advantage over the small shippers. The company, however, acting most clearly and indisputably in the interest of the small shippers, has refused to give the large importers this kind of monopoly, and has thrown open the contract system to the whole public, putting it upon the simple basis of a contract to do all the transportation for each individual who enters into the agreement. Those who enter this contract do so voluntarily, and for no other reason than because they see their profit in it. If, having made it, any of them undertake to evade it subsequently, the company must protect itself, and has a perfect right to do so, for, as Mr. Stubbs observes, this is the sole consideration to the railroad in the whole arrangement. Frequently the advantage is all on the side of the shipper, as, for instance, where a man is really engaged in the importation of but one or two articles. In such a case he can afford to have all the rest of the line of his business marked up, but the high rates do not affect him, because he has low rates on the only goods he really deals in. We could mention many specific cases of this kind, in which it is perfectly clear that the railroad actually loses money by making the contract. The idea that the shippers are all unsophisticated individuals, who are wofully oppressed by the railroad, and ground down under its tyrannical regulations, is altogether too diaphanous. The truth is that the company has enough to do to hold its own against these very innocent persons.

The Anti-Monopoly howlers, however, have undertaken to "hedge" on this subject. They have been very careful to assert that it was useless to try to get at the truth through the shippers, for the reason that the latter are afraid to speak out. This is rather an ingenious method of explaining in advance the absolute dearth of evidence in support of the charges. The truth is that the shippers do not "speak out" because they have nothing to divulge. They are business men, and they know very well that when they make these contracts it is for their own advantage. The fact that the number of contracts is increasing continually shows that the merchants are not afraid of them. There is no mystery about the business. The railroad makes the contracts in order to secure more and steadier traffic. The merchant makes them because it pays him to do so. Nobody is coerced, nobody is oppressed, nobody is cheated, Mr. Doyle and Mr. Gibbs, the *Examiner* and the *Chronicle*, to the contrary notwithstanding. The contract system is based upon ordinary and familiar business principles. Anybody may take it or leave it, as they choose. The rational presumption of course is and must be that all who take it believe that it is to their advantage to do so. The fact that nearly all who have taken it have continued it justifies the further presumption that these anticipations of advantage have not been disappointed. The fact is that a more utterly fraudulent and preposterous howl was never raised than this about the contract system, and that the demagogues must have been terribly in need of a cause of offense against the railroad when they invented it.

ENGLAND AND THE PORTE.

The Sultan appears to have slowly made up his mind to send an expedition to Egypt, but he has acted too late. If he sends an expedition now the English Government will claim the right to control it. England will not permit the Porte to take precedence in the Egyptian operations. The dispatch of a Turkish expedition would, however, bring the question of a holy war to a head, for Arabi would then have to engage in hostilities with Mohammedans. The unabated insolence of the rebel soldier does not at all necessarily indicate consciousness of his strength. On the contrary there are many signs that the Egyptians generally would be glad to return to their allegiance to the Khedive if they were not intimidated by the army, and it may be regarded as certain that at the first considerable reverse the army itself will melt away. The Sultan would no doubt like to get control of Egypt again, and reduce it to the condition of a province, but England cannot permit that, since she is bound to protect the Suez Canal, and since she could not do that if the country were once more abandoned to oppression and plunder and anarchy and intrigue, which is all that Turkish rule can bring forth. As the case stands it may easily be understood that England would prefer to do the work in Egypt single-handed, though she can hardly refuse the co-operation of the Porte if it is offered. Turkish troops, however, will, in the event of co-operation, probably be retained for garrison purposes, while active operations will be carried on by the East Indian contingent and the British forces. It appears now that France has concluded not to send a land force, and though the Porte has begun to talk seriously of embarking troops, it is by no means certain that anything of the kind will be done. It is hardly likely that the Sultan is alarmed at the impudent threat of Arabi, for he knows that the holy war business is a very precarious kind of resort, and of course he has no particular respect for the military prowess of a commander who has never exhibited any genius, and who has under him an army which the Abyssinians whipped ignominiously. In fact, a dozen battalions of Turks would no doubt disperse all Arabi's forces in thirty minutes. Against the heroes of Plevna the runaway Egyptians would stand no show whatever. But the Turk is not wanted in Egypt just now, and if he goes there he will not be permitted to do any conquering on his own account. In the interest of civilization, and for the protection of her Indian Empire, England is bound to restore order to Egypt, and to do so she must wipe out Arabi Pasha and all his clique. This she will undoubtedly do, and when it is done she will have a good deal, if not everything, to say about the kind of government Egypt shall thereafter possess. And Europe generally this time acquiesces in the necessity and the justice of the English policy in Egypt.

THE "TIMES" AND THE DYNAMITE SCHOOL.

The London *Times* is very severe on the toleration of what it calls the "dynamite "school" by the American people. The occasion of its censure appears to have been a story from New York to the effect that a school had been established in that city by the Donovan Rossa faction, for giving instruction in the preparation and use of all kinds of deadly explosives; the said knowledge to be subsequently utilized in the destruction of British life and property. Now it would be saying too much to assert that there is actually no ground for the criticism of the *Times*. It must be admitted that the exigencies of politics cause Americans to tolerate a great deal which they really condemn. But the main reason why American public opinion has been so quiescent in the face of the outrageous announcements of the "dynamite "school," has been the absence of any faith in the seriousness or reality of these announcements. The *Times* appears not to know that Donovan and his followers are utterly without credit or respect in this country, but so it is. When these persons get some New York reporter to write up their "dynamite school," or their fulsome lies about the vessels they have blown up, or their disgusting brag about the destruction they are preparing for the "perfidious Saxon," the American people shrug their shoulders and conclude that another assessment is about to be levied upon the servant girls. Nobody believes that the "dynamite school" represents any real or dangerous element. It is regarded as a method of "moral agri-"culture," by means of which certain indolent people contrive to get themselves supported without working. There may, perhaps, be more in it than this; but at all events nothing has hitherto occurred to warrant such a belief. And England has occasionally harbored a good many more dangerous conspirators herself. More than that, she has refused to give them up to the Governments against whose heads they were plotting. A country which knows what the maintenance of freedom entails in the way of abuses, ought to understand that it is often necessary to submit to things which are disagreeable, because not to submit to them would involve some tampering with the fundamental principles upon which liberty rests. But in any case there is no reason to apprehend any real danger from the "dynamite school," and perhaps they are more likely to blow themselves up than anybody else.

THE PENNSYLVANIA INDEPENDENTS.

The Pennsylvania Independents have given their final answer to Don Cameron's men. They refuse to accept any of the propositions made to them. They say that they are united to fight "Bossism," and that they cannot agree to terms which would stultify them at the very outset. They are right. Had they allowed themselves to be persuaded by Cameron's managers they would have ceased to deserve and to receive the support of the really independent element among the Republican voters of Pennsylvania. They must maintain the principles for which they leagued together, or they must disband. It was impossible that any compromise should have been reached between two elements so hopelessly antagonistic. Any such arrangement would have been as detrimental to morals as a pact between policemen and thieves.

PRICES HERE AND ELSEWHERE.

We printed yesterday a letter from an Englishman who is familiar with the retail grocery business in England and the United States, and who gave a series of illustrations of the much higher scale of prices paid for various necessary articles in this country. One of the most remarkable points made by our correspondent, however, was in relation to canned salmon. Now this is put up on the spot, as we may say. Yet it appears that whereas it is retailed in Liverpool at 12 cents per can, it is sold for 20 cents in California. It cannot be shown that the higher price here is due to "railroad extortion," for no freight is paid on it before it is sold in this market. Yet as we have seen it is possible to take these goods all the way to Liverpool, and then sell them 8 cents a can cheaper than they are bought in Sacramento.

PREPARING TO COME DOWN.

It looks as though Arabi was preparing to come down before he is shot at. He is said to have expressed a desire to surrender to somebody, provided he can obtain satisfactory terms. Under the circumstances it will probably not be thought safe to establish such an awkward precedent, though if Turkey was alone in the affair no doubt she would accept the proposal, and then cause Arabi to be quietly put out of the way as soon as he had delivered himself. As it is, he will apparently have to fight, unless he is prepared to surrender without conditions, or at best on the promise of his life.

THE TARIFF COMMISSION.

The Tariff Commission, it is gravely asserted, is at present being "coached" by a number of protectionists, who are giving valuable advice as to the amount of protection their respective interests require. We are not surprised at this, because it was just what such a Tariff Commission might have been expected to do. We see that the quinine manufacturers are at work to get the duty on the drug again. This item will be read with special interest in malarious districts, the people of which will of course appreciate the paternal care manifested toward them by the Government.

A LARGE woolen mill is to be erected at Salem, Or. The machinery has been ordered, and the building of the mill will soon begin.

A REJOINDER.

FREIGHT MANAGER J. C STUBBS REPLIES TO THE "EXAMINER."

Freight Charges—The Contract System—The Railroad Question.

J. C. Stubbs, the General Manager of the Freight-Traffic Department, Central Pacific Railroad Company, has written a letter to the San Francisco *Examiner* on the railroad freight question. It reads as follows:

OFFICE OF FREIGHT TRAFFIC MANAGER, C. P. R. R., }
San Francisco, July 25, 1882. }

To the Editor of the *Examiner*—Sir: Of late the writer has frequently been asked, "Why does the railroad company allow the misstatements which are being circulated respecting the matter of contracts for through West-bound freight to go uncontradicted?" The answer is, that the animus of the attacks upon the railroad company is obvious to all who read. With respect to the "contract plan," which has been particularized as especially obnoxious to the merchant and hurtful to trade, those concerned are as familiar with it as are the railroad agents. The knowledge of the merchant is a sufficient defense, before his judgment and conscience, against the publications of those who find pleasure or profit in misrepresenting the railroad companies. It has been urged, however, and by a prominent merchant, too, that it is due to the merchant, who is charged with being a party to a scandalous abomination that is "sapping the foundations of the city's prosperity," and to the railroad companies, the other parties thereto, that a fair statement of the facts be made; otherwise, the mass of the people, who are not in trade would accept these false reports as true. For the purpose of making such a statement, I respectfully ask the courtesy of your columns.

I presume all will admit that the legitimate functions of railroad companies are those of carriers for profit. Pursuing the exercise of these functions, the several companies whose railroads connect the Atlantic and Pacific States have sought the carrying trade between those States, the object being one common to all capable, enterprising business men, to secure the maximum trade at the maximum price. They possessed no monopoly, else there would have been no incitement to effort, no necessity to plan and labor to enlarge the traffic overland. On the contrary, they had encountered competition the most difficult to overcome—competitors as numerous as the ships engaged in the same trade. They were subjected to that universal law that a service or a thing is worth no more and no less than what others can and will perform or produce it for—time and place being factors in the cost of reproduction—and were obliged to conform their methods to the peculiar nature of their competition.

The shorter time and lesser risk of transportation overland, as against the sea route, would secure to the former a share of the trade at a greater price than any they have ever asked; but for the larger portion, the total cost of shipment by sea would necessarily measure the freighting charge by rail. Numerous experiments and careful study proved, however, that the value to the shipper of the service by rail, as compared with the service by ship, was difficult, if not impossible, to determine, except by an average for a given time.

On most commodities—except those of greatest value, on which the ordinary insurance would exceed the highest rate asked by the rail carriers, or which, by reason of perishable nature, could not stand the sea voyage—a portion, for temporary needs, would seek the rail line, while the bulk would go by sea. The average rate made by computing freight and all the charges incident to transportation by both rates, of course represented what the railroad carriers might fairly ask for carrying the whole; yet this average would be greater than the actual cost by sea; hence, if published as the rail rate, while it would doubtless increase the tonnage by rail, would scarcely increase the earnings. It was evident that the shipper must be placed under some obligation, in consideration of the reduced rate overland, to ship his goods by that route. All shippers professed a preference for the all-rail route at the same gross cost. The rail carriers desired to indulge that preference, if it could be done with profit.

The simplest plan, and the one which was most frequently suggested by Cape Horn shippers, was a tariff based upon a guaranty of tonnage; e. g., the merchant would agree to ship a definite quantity of goods within a given time, in consideration of a certain rate of freight. The suggestion was natural, being in harmony with a well-settled and universally-practiced principle of trade. It was preferable alike to carriers and the chief patrons of the sea routes. It involved, however, the principle of discriminative or differential rates—for interest and credit. The ability to carry a six months stock on the sea, en route, and a six months stock in store, are the chief factors determining the availability of the sea route to a shipper. The lowest rates could only be obtained by the largest shipper. This plan, while agreeable to the large importers, and urged by them as the only reasonable and just one, would be obnoxious to the smaller shipper and would be opposed to the sentiment that there must be no discrimination between persons in the charge for freighting service. It was then decided to offer special inducements to *any* and *all* who would agree to give to the rail lines all of their business for one year, *regardless of its volume*. It perhaps needs no argument to support the statement that a man, a mill or a factory can, with profit, afford to work at a lower rate per unit of service or product, under a guaranty of constant employment, than without such guaranty, being forced to take the chances of the open market. It is none the less true concerning carriers.

On the other hand stability of rates is, of itself, of great importance to the shipper, and the guaranty of a definite rate of freight for one year is of value to all except the speculators. So far the proposition seemed to rest upon sound and generally recognized business principles. It presented, also, this feature—that it asked not shipper to do an impossibility. To ask one man to guarantee five hundred or a thousand tons of freight in one year, in consideration of a certain rate of freight, might be reasonable. His neighbor, however, could not comply with this condition, hence could not get the lower rate, and would be unable to compete for the trade; but to give all his tonnage was a reasonable condition, easily performed by every shipper, and placed all upon a common footing, so far as their obligations to the carrier and the considerations received therefor were concerned.

The foregoing presents the salient points in the history of the occasion, spirit and purpose of the method of handling west-bound through freight under what is known as the contract plan. It will be observed that in the adoption of the method in use the carriers endeavored not only to avoid unjust discrimination but also a discrimination which may be termed the common law of trade—that which discounts in favor of the large buyer—in order that no man might justly complain that the result of their policy was to "make the poor man poorer and the rich man richer." In doing so they antagonized, to some extent, the desire of the heavy importers (whose trade was that which the railroad companies were seeking) for lower rates than the ordinary shipper enjoyed, and certainly involved themselves in a more cumbersome and expensive undertaking than it would have been under the plan of scaling the rates in proportion to the tonnage handled—a plan which would have pleased all the large houses, but which would have been very objectionable to the smaller ones.

It is well known that the rates provided in these contracts are based upon the value of the rail service as compared with the service by ships. They have in all cases been derived from information and advice received from the largest shippers, the question to shippers being: "What will you pay?" So that, while many of the contract rates are the result of a compromise of views between the shipper and the freight agent, yet, upon the whole, it may be said that the merchant, and not the railroad companies, has made the rate.

It may be well to note, just here, that no shipper's rate is higher because of these contracts. The largest importers enjoy special advantages in shipping by sea as compared with small shippers using the same route. The cost by sea to the large shipper, as a rule, governs the rail contract rates, whether the shipper be large or small.

The contract, as an entirety, simply expresses an agreement upon the part of the importing merchant to give to the railroad companies the carrying of all the goods handled by them (i. e., which are supplied to his trade) which are the subject of transportation from the Atlantic to the Pacific coast States, and upon the part of the carriers to give to the merchant in return for *all* of his business, as above, the rates agreed upon between merchant and freight agent.

It would be unjust to permit a dealer, not under the same obligations, to receive the same rates as the contracting merchant; hence the provision that the contract should not be made use of to benefit other parties. This was a reasonable and necessary protection to the regular and honest dealer, as well as the carrier. Without it none could or would make the agreement. It originated with the merchant and not with the railroad company.

Again, if a merchant were to buy in this market, to supply his customers, goods known to have been imported by sea, he would not perform his part of the agreement, but would deprive the carrier of the sole consideration the contract secured to it. Without these provisions the contract plan would be inoperative—of no value either to merchant or carrier.

It is not true that merchants who have chosen to accept the terms of the railroad companies have been forbidden by the companies or their agents to buy goods in this market. Such shippers have voluntarily undertaken, for a valuable consideration, to give the railroad companies the carrying of all the goods handled by them which are brought from the East. If this undertaking is any restraint upon them, the restraining act is their own and not that of the railroad companies.

It is not true that merchants who have made contracts with the railroad companies are forbidden to sell goods to any party or parties, even though such party or parties may be shippers of goods by sea. The contracting merchant is at liberty to sell to whom he pleases, and can do so freely. In no case will he be charged a higher rate than the published tariff.

It cannot be said that the plan has worked as smoothly and pleasantly as the most exacting would desire, but it is submitted that there has been manifested upon the part of the officers of the Central Pacific Railroad Company a patient and persistent effort to work the business in a manner to secure the co-operation of the shippers. The business of transportation must be handled under rules and regulations of general application, and all criticism should be made with that in view. A general rule or regulation may prove unreasonably restrictive when applied to a peculiar case, but if made to cover that particular case might prove, upon the whole, burdensome and oppressive.

The railroad companies participating in the overland carrying trade are numerous, and their freight agents do not always agree. The shippers employing the railroads embrace all trades, classes and conditions—a multitude of men whose interest often conflict. It would be strange, indeed, if there were not differences of opinion and complaints arising therefrom constantly.

Every business man who has joined in these contracts knows that he studied his own interests in doing so; that there was no coercion, no threat, nor any words or means employed by the railroad agents to influence his action, other than what a man of reasonable tact and discretion would employ in soliciting the trade of a new customer or an enlarged patronage from an old one. All will acknowledge that the effort to increase the traffic overland has worked an annual reduction in charges by rail, and that the benefits have not been confined to rail shippers, because the reduced rail rates have caused material reductions by sea.

There are very few, if any, who will not say, from their own knowledge, that most of the complaints they have to make arise from causes which the Central Pacific Railroad Company cannot control; that in the distribution of their goods to the interior, over lines wholly controlled by the latter company, they seldom have occasion for fault-finding.

The contract plan has been in use for several years, and judging from the constantly increasing number of merchants availing themselves of it, has steadily grown in favor. Is it not, then, very strange that it should be suddenly discovered to be hurtful and oppressive, that the merchants of San Francisco entertain a bitter feeling of animosity to the Central Pacific Railroad Company because of it, and are in such abject fear of the company that they dare not complain, except under seal of strictest confidence? Rather, is it not evident that those who are so industriously engaged in spreading these mischievous reports seek to create a feeling of antagonism to the railroad companies, in furtherance of selfish designs?

The people may well ask "whose ax is being ground by these attacks on the railroad?" It would be well, also, for those who read with indifference to reflect, and ask themselves what influence these misstatements, spread broadcast over the land, will have upon immigration and the ultimate prosperity of this State. It will also be well for the farmer to consider carefully what value is to be placed upon the teachings of men who denounce the railroad companies for pursuing a policy which has greatly reduced the freights upon his wagons, farming implements, hardware and all articles of general consumption, upon the ground that it advances freights upon his products by driving ships from this port, and the next day denounces the same companies for opening a new line for the transportation of those products, because it compels the reduction in rates thereon, and will have the effect of driving tonnage from this port.

J. C. STUBBS.

SAN FRANCISCO NEWS.

The David Crockett arrived Thursday, 157 days from New York. She encountered a fearful gale on May 30th, in latitude 45 south, longitude 89 west, in the course of which her main bulwarks and nearly all her monkey-rail were stove in, and other damage was sustained.

A week ago Henry A. Plate was arrested on complaint of Mrs. D. M. Klumpke, his aunt, who charged him with the embezzlement of $4,479 33, which she claimed she authorized him to collect. Thursday, when the case was called in Judge Rix's Court, prosecuting attorney Blaney said: "From facts which I have learned since the arrest of Mr. Plate I am satisfied that there should be no further proceedings in this case; therefore I now move for a dismissal." The motion was granted.

The body of a man which had been in the water for about eight days was found on the beach, near Point Lobos, by George Law, yesterday, and taken to the Morgue. The deceased is apparently a young man, with black hair, clean-shaven face, heavy-set, five feet seven inches in hight. He wore a blue and white checked cotton shirt, and black diagonal pants, no coat or vest. The remains have been in the water more than a week or ten days. In his shirt-front was a stud with a Chinese mandarin engraved upon it.

But little information has been gleaned with reference to the shooting of Mrs. Florence Sachs by her husband, in addition to that already given. Inquiry elicited the fact that Mrs. Sachs was progressing nicely, but by the advice of her family physician no one besides her immediate relatives was admitted to her room. Since the unfortunate affair occurred Mrs. Shannon, her mother, has been in constant attendance upon her. Samuel L. Sachs remained yesterday ensconced in his uncle's mansion, No. 615 Leavenworth street, and all efforts to see him proved unavailing. What the outcome of the event will be is rather difficult to predict at present, as friends of the family have but slight hopes of a reconciliation. All in any way connected with the parties are reserved and taciturn, the only desire manifested by them being to keep this unfortunate domestic trouble from gaining further publicity.

The tramp Triumph landed all but 300 of her cargo of 795 coolies Thursday morning on the seawall. Twelve who shipped for Portland came ashore here, and remained ashore, possibly attracted by the superior beauties of Chinatown life to a coastwise trip to Oregon. The Triumph proceeds to Portland on Saturday. The nine women aboard of her will be allowed to land without much objection from the Custom-house authorities. Yesterday Deputy Inspector of Port Brown said that unless he obtained some positive evidence that the women were brought here under contract, he should not attempt to detain them, in the face of Judge Hoffman's decisions. The Measurer of Hulls was also at work on the Triumph yesterday, but the recent decision in the matter of libels against other tramps for misconstruction of berths makes the Measurer's work unnecessary in the case of the Triumph.

They don't have rains out West. A cloud just saunters up and examines a town and then collapses right over it. Nobody escapes but the newspaper reporters and the book agents.—[Atlanta Constitution.

Illinois has 23,000 schools. In a few years every Illinoisan will be able to reckon his own bar bill.—[Courier-Journal.