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PASS THIS BILL!

There is small doubt but that the enthusiasm of the majority in Congress for repeal of taxation has cooled and willingness now exists to interpose obstacles in the way of the passage of the War Reduction bill to ultimately work its defeat.

This situation must not be allowed to continue.

Delay in the passage of this bill is caused by what the House is pleased to call the Senate's usurpation of its constitutional prerogative—the right to originate a revenue bill. The usurpation consists mainly in amending the House bill by decreasing still further the rates fixed by the House in some cases, increasing them in others, replacing items eliminated by the lower branch, and, in one instance, introducing new legislation—the tobacco reduction clause.

It will hardly be denied that the Senate has a right to amend any bill sent over by the House. The measure in dispute originated in the House, was passed by that body, was sent to the Senate, amended over there and returned to the House. If it contains new legislation having other than a House origin, which that body is unwilling to have the Senate incorporate in the bill either for constitutional or economic reasons, why should the entire measure, upon the passage of which the safety and permanency of business interests depend, be jeopardized when the elimination of the objectionable feature or features could settle the whole controversy and bring the much desired relief?

Many times in the last few years has there been as much, or more, provocation to raise this issue. Time and again has the House sent to the Senate a revenue bill, for which the Senate substituted one of its own. Why, when there was more time to settle this issue without endangering the public interests, was not the fight made? Why, of all others, is this opportunity chosen for making the fight?

The House is partly correct in its contention. No provision was made in the War Revenue Reduction bill for a 75 per cent. decrease in the tobacco schedule, or for any decrease at all.

The addition of this item to the bill constitutes new legislation and justifies the opposition of the House to Senatorial usurpation of its rights. Neither did the House bill contain any mention of the tax on bank checks. The reinsertion of this item by the Senate will here too be held to be a piece of new legislation not previously sanctioned by the House—in fact disapproved by that body—and hence giving just cause of complaint as infringing upon the privileges guaranteed by the Constitution.

The situation is susceptible of easy solution. Let the Conference Committee reduce the tobacco tax from 12 to 10 cents a pound—if a gratuity is thought necessary for the peace of mind of tobacco manufacturers who never paid a penny of the tax; let them repeal the tax on bank checks, as there seems to be much honest opposition to its retention; let the beer tax stand, the Senate's right to reduce the rate from \$1.60 to \$1.50 being unquestioned on the score of constitutionality; necessary to protect both the industry and the Government's exchequer from loss, and, on the other hand, the absence of public disapproval following its action.

Let a report be formulated on this basis, let it be presented in both Houses, and the word for it, constitutional prerogatives will be waived, opposition will be a way,

and if it does not it will be voted away as easily as it was last Monday when the bill was sent to conference in spite of the desire to prevent such action.

There are ugly rumors in circulation regarding the motives of the man or men foremost in hindering action—rumors which the SENTINEL positively declines to believe. We hold rather to the view that the Senate has begun to put in operation its plan for the permanent retention of the internal revenue to replace the protective system. Even Mr. Tawney, of Minnesota, who is so outspoken for his constitutional privileges, had announced his intention to defeat the Senate bill before it was known to have usurped House privileges, because, as he asserted, of this permanent internal revenue feature. To this the House objects, and hence the deadlock.

Whatever may be said of the present as the proper time to inaugurate a change in our fiscal policy, no conservative man will defend an attempt to introduce it through the medium of the War Reduction bill. Nor do we believe it will be done. We look for a peaceful and satisfactory solution of the difficulty, out of which will come no loss to brewers.

Congress needs immense sums to meet the large appropriations now being made. Apart from the daily press (for financial reasons, probably) we know of no widespread clamor that the brewers shall be compelled to meet the expenditures, nor do we think they will be. After the Senate has been given to understand that the House will permit no encroachment upon its domain, the Conference Committee will make its report, and the friction will cease.

Should this not occur, the combined Democratic and Payne Republican vote that ruled the House last Monday is there yet, ready to overturn any obstructive tactics that may be adopted to retard necessary and, we may almost say, indispensable business.

Senator Chandler's Reform Bill.

Senator Chandler, of New Hampshire, is the author of a bill "to prohibit corporations from making money contributions in connection with political elections." This measure has been reported favorably by the Senate Committee on Privileges and Elections. It provides that "it shall be unlawful for any national bank or any corporation engaged in interstate or foreign commerce, or any corporation organized by authority of any laws of Congress, to make a money contribution in connection with any election to any political office." The corporation violating the law is liable to a fine of \$5,000, while "every stockholder, officer, director or employee of any corporation who shall consent to any contribution by the corporation in violation of the foregoing provisions shall be subject to a fine of not exceeding \$1,000." Senator Chandler has been a Republican all his life, but his devotion to the party did not count in his favor when the corporations in New Hampshire decided to retire him to private life. His bill is a good one, but it is to be feared it will not receive the support of the majority in Congress. Without "money contributions" from the corporations the "Grand Old Party" would soon find itself in a sad plight. The trusts would no longer dictate legislation; the tariff would be amended so as to protect the interests of the people; indeed, there would be a revolution in legislation and in the methods of administering the Government. Such a law honestly enforced would drive Republican party out of business or accomplish its complete reformation. It is to be hoped that Senator Chandler's bill may receive favorable consideration, but it is hardly probable that his party is yet prepared to sign its death warrant.

The business men of the country have at last taken alarm at some of the statements made in favor of the subsidy bill. One of these statements is that the amount paid by the carriage of foreign mails should be deducted from the amount of the subsidy when the expense is being considered. In other words, it has been plainly intimated by Senator Tyne and others that these subsidized ships are to carry all the foreign mails of the United States. In examining into the records of the American ships which will draw subsidy the business men discover that on these ships carry the mails the mails to Europe and from Europe will be delayed from two to three days. To have these ships carry the foreign mails instead of having them carried as they are now by the fast foreign companies, would result in the loss of many millions of dollars to American importers and exporters. This feature of the subsidy bill has brought forth a good many very vigorous protests.



SULZER'S COUP.

Just previous to the Kansas City Convention, last spring, a newspaper man of this city, who was old enough to have known better and whose connection with the collection of funds for the Boer Delegates' reception and their distribution gave him opportunity to obtain information sufficient to have prevented him from making a charge of such a nature against anybody connected with the affair, sent out from Washington a syndicate newspaper letter alleging that of the \$1,170 collected for the widows and orphans of Boer soldiers, all but \$18 had been spent in wine and dining the Transvaal Delegates, the Reception Committee and their friends.

This story was at once branded as a malicious falsehood by Mr. Sulzer, chairman of the reception committee, Mr. Ruppert, chairman of the finance committee, and Captain O'Farrell, treasurer of the fund, whose accounts, after a careful and minute investigation, were found to be correct and free from the extravagances falsely ascribed to Mr. Sulzer's management. So far from a depletor of the fund, Mr. Sulzer was found to be its heaviest contributor, who besides assumed and paid bills out of his own pockets that properly should have been defrayed from the fund's treasury. This, it was hoped, had ended the matter.

Mr. Sulzer attacked the Administration in the House, last Monday, for its subservience to England. He declared the United States was violating the neutrality laws of nations by permitting the English to buy munitions of war here for use in South Africa against the Boers. He believed it was the duty of the President and of Congress to stop the purchase of supplies here.

His strictures on the Administration were not relished by Republicans, nor were they intended to be. It was not expected, however, that one of that side would tempt fate as recklessly as turned out to be the case in its defense. It was hoped that the wide circulation given to the refutation of the charges above referred to during the recent campaign had put a quietus upon them that would effectually dampen the ardor for their future resurrection. Vain expectation!

Some men are as irresistibly attracted towards a buzz saw as a fly to molasses. And Mr. Mahon, of Pennsylvania, is one of those men. He ought to have known better. Only a few weeks ago, he admitted himself, he had bucked against an Agricultural Department's report and barely escaped defeat. With so little weight that a gust of wind had almost bowled him over, Mr. Mahon should have left to others the dangerous task of challenging Mr. Sulzer's connection with the Boer reception and revamping the old charge of wasting widows' and orphans' funds to wine and dine strong men.

Mr. Mahon's anxiety to help the Administration overcame his prudence, and he interrupted Mr. Sulzer to renew the slander, hoping thereby to deaden the effect of the New Yorker's arraignment of this Government's desplicable policy towards the South African Republics.

The charge was then made, and as promptly was answered. If any doubt existed in any man's mind previous to this occasion, it is safe to say it is now dispelled. Mr. Sulzer made his connection with the affair as plain as any one could have wished, and much plainer than he himself would have preferred, for he is not a man to boast of deeds of kindness done. It was necessary for him at this time to be explicit and comprehensive, and he was both. At the conclusion of Mr. Sulzer's statement even Mr. Mahon admitted that he did not believe the charges.

Mr. Sulzer has traced the circulation of these stories to the door of Perry S. Heath, secretary of the Republican National Committee, the man who is responsible for Neely's appointment in the Cuban service and who must bear the odium attaching to his misdeeds. He had read a letter showing up some of Neely's alleged misdeeds before his appointment, with all of which Heath is charged with being aware of and in spite of which he urged him upon the people of Cuba, to the disgrace of our country, his party and the Government.

The letter is as follows:

HON. WILLIAM SULZER,

Dear Sir: Parlan me, a stranger, if I made a few suggestions and give you a pointer that will stab Perry S. Heath where it will hurt. If you will need it, you will remember that when the news of C. F. W. Neely's embezzlement first came out that Heath promptly came out in an interview and denied having anything to do with securing Neely's appointment, and said that Neely was the President's own selection, and that he (Heath) had nothing to do with it, and did not recommend Neely at all. Well, Neely's report shows that Neely was appointed on Heath's own personal recommendation, and contains Heath's letter, in which he said that Neely was a man that Rathbone could and would warm up to.

Ask Heath why his New York bank went Neely's bond. Ask Heath to publish those letters Neely wrote him (facing to Bristow's report) while Neely was acting as a post office employee in Cuba, and the answers to which letters disappeared from Cuba with Neely. Ask Heath why he did not recommend a man, Neely, as a fit person to handle millions of money who had defrauded a widowed mother and his sisters and brothers out of a \$10,000 farm, and who with the proceeds founded the Muncie News, a paper owned by Neely and Heath, and which is now defending the President.

Ask him if the farm fraud was not a matter of record in the court of Delaware County, and if it was not published in the Muncie papers when Neely's mother and brothers and sisters sued to cancel Neely's deed and the \$10,000 mortgage Neely put on the farm when he bought the News. Ask him if he didn't know that Neely had gone to Kansas City and there defrauded hundreds of farmers out of their produce by starting an alleged commission house, and after he had sold the stuff, decamped with the proceeds, Ask him if he did not know that Neely had been implicated in a gold brick scheme?

How much truth is in the letter may be inferred from the violent efforts made to keep it out of the Record. They failed to prevent its publication and knowledge of its contents is now general. It disgracefully brought to the door of Mr. Heath, Mr. Sulzer is not to blame, although he assumes every responsibility for making the letter public. If Mr. Heath and the Republican National Committee had not dipped so deeply in the mire of calumny and prevarication in their attempt to smirch the character of an honorable political opponent, they would have spared this ignominy.

A strenuous effort is being made to bring to the support of Mr. Hanna's pet measure of subsidizing ostensibly our entire merchant marine, although in reality only a small portion of it, that sentiment in favor of protective tariff laws which has so long availed our governmental policy. But it is not alone among the ranks of those who are opposed to high tariffs or who advocate their abolition entirely that opposition to ship subsidies exists, for even among the staunchest protectionists there are those who, so far as the why a steamship company should be paid by the government for running a ship any more than individual vessels should be paid for building houses or raising wheat, are so far from seeing public gains anything if the subsidies in favor of protection is assumedly based on the idea that the fostering of certain classes of industries will stimulate the development of others, and it is quite possible to design ship subsidy schemes which will, ostensibly at least, work out this theory.

In order to do this, however, it is scarcely necessary to point out that there are no such things as free lunches earned by increasing the facilities for carrying goods and passengers, preferably the former, in the largest quantities possible. Yet in the face of this measure now pending in the senate, the public gains anything if the subsidies cater to increased trade, for it is so drawn that the subsidy which vessels would earn is practically irrespective of the cargoes that they carry. As the minority report again points out, "admitting that the public may gain something by the voyage of a ship which carries out a full cargo of American products, no one will claim that ship public gains anything if the ship carries no cargo." Yet it is exactly this contingency for which the bill artfully provides. Not content with carefully safeguarding the interests of the favored corporations in whose special behalf it has been prepared against a loss of all their subsidy in case they should by bad luck fail to have a response made by shippers to such facilities as they may offer, in effect it insures them against any loss of subsidy, no matter how total may be the absence of demand for these facilities, which demand alone could be an adequate public excuse for assisting the vessels.

Little wonder then that so many staunch Republican protectionists should repudiate the effort to make this piece of legislative favoritism the first fruits of an election won by a marshaling of the hosts in support of sound currency.

An ordinary business man catenates the advantages of a contract according to the terms of the contract itself. England, France and Germany require of ship companies drawing governmental subsidy contracts setting forth in detail the services which the ships are to perform under the contract. The pending subsidy bill in congress provides for a contract. The only thing in the contract that the ship companies agree to do is to build ships equal to the tonnage drawing subsidy in American yards. An examination will show that these ships can be paid for exclusively out of the subsidy. The contract does not provide that these ships shall ever be run unless additional subsidy is desired upon the ships. They can be sold at once to either Americans or foreigners. They do not contract for any amount of speed or any number of trips; they do not contract for any reduction of freight rates; they do not contract for assisting the vessels in their cruises; the only thing that they contract to do is to use a part of the subsidy money in building ships for themselves. Let any business man place himself in the position of the government concerning this matter, and what would he think of the value of his contract?

FOREIGN NEWS.

Translated and Selected from leading European papers for the SENTINEL.

ENGLAND.

King Alexander.

The world has already heard a great deal of the quarrels of King Milan and Queen Nathalie. Now we have young King Alexander denounce before his people the role his father has played, and making that usually colorless document, a speech from the Throne, the passionate presentation of his case against his parents. In this manifesto the young Sovereign reminds the Skoupcitina of the circumstances of his marriage with Madame Draga Maschine, now Queen of Serbia. He proclaims aloud his right to happiness; and if he does not descend, as in some famous interviews, to going into details of the tragicomic farce played last summer at Belgrade on the occasion of his matrimonial marriage, he does not attempt to pass over the ill natured opposition of his father.

The story of the life of this young prince, born in the midst of the disputes of a couple whose natures were congenial; brought up in strictness; treated as an object for quarrels by wrangling parents; without the gentle atmosphere of domestic circle and the advantages of home education; as a child familiar with sad scandals; obliged, by the selfish abdication of his father, to mount prematurely a shaky throne; since then worried by the selfinterested reappearance of Milan and his strange claim to govern as regent a country he had abandoned as King—this biography is in itself enough to account for the bitterness, the hardiness and the feelings of Alexander. He has now succeeded in starting a home of his own. He has fought for and won the happiness to which he thought he had a right, and which the selfishness of his parents denied him. An heir is expected, who will continue, and it must be hoped, improve, the line of the Obrenovitches; and it is in the name and the interest of his happiness, closely connected, according to him, with the disappearance of the unfortunate influences from which his youth suffered, that he bids his father an irrevocable adieu.

King Alexander hurls a most serious charge not only against his father, but also against the ministers who were the instruments of a plot against him, who accepted office from him under pretext of serving the country, and used it as a weapon against their own king. In round terms, with a brutal frankness which comes like a surprise, the King charges the members of the Viedan Georgevitch not only with bad faith, but with high treason and crime against the State. The odd thing is, this serious accusation, which concerns those only yesterday in authority, is addressed to whom? To the Skoupcitina elected under the auspices of these same ministers, whose very artificial majority was forced from the country by terror and fraud. It is a strange tribunal for pronouncing judgment on deeds by which the greater part of those judging have benefited, and to which they owe their very existence and right to sit.

It must be remembered that in Serbia internal policy is closely bound up with external policy, and on the latter are reflected and re-echoed the changes of the former. King Alexander has taken occasion to thank publicly and with emphatic gratitude Tsar Nicholas for having been so good as to act as witness, or, according to the Orthodox rite, go father to his marriage. This is a sort of act of faith and homage rendered by a vassal to his suzerain and on a very natural thing to do. The King of Serbia are linked together, however, and indissolubly by race and religion. The Tsar cleverly and with a good grace rendered great service to a young prince in love, who needed cautious and powerful support to marry beneath him.

All this seems to point to the beginning of a new era at Belgrade, which will see a drawing together with St. Petersburg, perhaps a return to the traditions of a Serbian past. In view of this possibility, it is looked on with apprehension. The language of the Austro-Hungarian press is full of meaning. If it leads for filial piety and blames the more than cavalier fashion in which King Alexander treats officially ex-King Milan, his father, it is much less out of sympathy for this last personage or out of regard for good taste because the disappearance of this influence, the emancipation of the King and the enthroning of Queen Draga, mean the setting up again of Russian hegemony in Belgrade.

Russian Progress in Asia.

Saturday Review.

The establishment of a Russian government with a commanding naval base in Northern China will inevitably give a fresh importance to her position and aims in Persia. In the Northern Pacific she has reached the open sea, and is well on her way to absorb the hinterland. The full exploitation of these remote Eastern provinces cannot be sufficiently secured by the long land lines through the inclement regions of Northern Asia. The next step must be to develop a sea borne trade and protect it by a strong naval squadron. Once firmly established at the eastern extremity, Russia will next require a position nearer home which will shorten the sea journey, or at least protect the route which her ships must follow between the Black and Yellow Seas. Such a position is to be found in the Persian Gulf, and nowhere else: she will now seek to secure it. It is no new idea. Towards this end the policy of Russia has been working not for years or decades but for centuries. The called Will of Peter the Great expresses it succinctly: "Lose no opportunity to

SHIP SUBSIDIES.

EX-CONGRESSMAN JOHN DE WITT WARNER EXPOSES THE DEFECTS OF THE PENDING BILL.

Professed Aims of the Bill Are Based on "Ship Subsidies For Auxiliary Cruisers, Mail Carriers, Fattle Provisions For American Seamen—The Shipbuilding Which the Bill is Supposed to Encourage is Already Largely Under Construction or Ordered.

In the current issue of The Review of Reviews, ex-Congressman John De Witt Warner of New York sets forth the following objections to the ship subsidy bill:

Of course the bill pretends that its authors are concerned for the "farms, factories, mines, forests and fisheries of the United States" and for the provision of "vessels, officers, engineers, machinists, electricians and seamen" for United States commerce and defense.

Framed as it is exclusively by those who propose to hire themselves at their own price and who did not admit to their deliberation any representative either of agriculture, wage earners, seamen or our navy or war department, we should expect to find just what we find here—that the professed aims of the bill are shams set up to distract attention from the real plan.

As to export trade, a late amendment expressly provides that to get full subsidy a ship need carry out but half a cargo load; while she gets the main, or "speed," subsidy though she do not carry a pound of cargo. Furthermore, the highest subsidies are specifically given to the classes of ships that not merely do not, but cannot, carry much export cargo but which "export" tourists and "import" immigrants—the International fast passenger steamers, for example, getting 11 times the subsidy in proportion to cargo that does a standard freighter.

The vessels now building by our government average about 23 knots speed. Of all ships in existence that would draw this subsidy there are but four above 20 knots, and its friends admit that no others will be built. It is plain how useless would be transports and cruisers that could neither fight nor run and how fatally would fast war vessels be impeded by the company of slow ones. Furthermore, the ships that would draw the subsidies are already under mail contracts, which put them at the disposal of our government under requirements more rigid than proposed by the pending bill—which expressly prohibits cancellation of present contracts.

It is ludicrous to estimate that against the \$9,000,000 per annum should be offset any considerable sum for the free use of the public wharves. As noted, the bill induces no construction of new ships over 17 knots, and its inducements for speed stop at 21 knots on test run. This is so far behind the present standards, though the International company (which would get the greatest share of speed subsidy) received last year two-thirds of the total paid by the United States for carrying foreign mails. New York, the postoffice had to hire British and German steamers at half the cost to carry three or four times the mail it committed to the International. Nothing could be more worthless than the right to have mails carried free by ships already too slow to be trusted with them.

As to American sailors, the bill provides that subsidizing ships (1) have one-fourth their crew citizens or intended citizens; (2) that one American boy be employed for every 1,000 tons shipping, and (3) that fishermen serving on ships (subsidized for the first six months) be given \$1 per month while actually employed. As to these: (1) is nullified by proviso that if the master cannot reasonably get one-fourth Americans he need not; (2) is made worthless by proviso that the American boy need be paid only what his work is worth, and as to (3), there being no minimum wage, our government would simply pay \$1 of its money for the labor of American fishermen would still work. Finally, the ships which would get most of this subsidy are now compelled under their mail contracts to have half American crews and employ the same number of American boys, but to treat them as petty officers; so that the effect of the subsidy bill, which releases these ships from their present contract, would be to lessen the number of American sailors and American boys employed.

As to ship owning, the bill leaves intact our navigation laws prohibiting importation of foreign-built vessels. Therefore, letting in for American registry only a few vessels that the authors of the bill and their friends had already bought. As to shipbuilding, our shipyards, without subsidizing ships here, already crowded to their utmost capacity, and the most advanced types of steamers—larger than any heretofore built—have lately been contracted for here at prices lower than foreigners would build them.

Worst of all, in respect of securing new shipbuilding, the bill is largely sham. For example, the owner of an American ship now running, on giving bond for \$10,000 to build new tonnage, might draw \$570,000 in subsidy before the bond became available. Again, as the United States shipping commission notes at page 52 of its report for 1900, tonnage now contracting in the United States, whether for coasting or foreign trade, can be offered to offset subsidized tonnage in operation. The result is obvious on comparing the list of subsidy expectants in regard to ships now built with that of those now building ships here. That is to say, the chief subsidy beggars, already owning both foreign and American built steamers and already, without subsidizing, building new ships here, have by this bill provided solely for their present ships, conditioned on their building new shipping, which, in fact, they had already ordered.

J ODDEN ARMOUR, of Chicago, denies the story that he is to retire from business in order to devote more time to society. "I have worked hard all my business life," he says, "and have no desire to stop now. I could not retire from business if I wanted to, and I certainly do not want to."