

The Sun

MONDAY, APRIL 8, 1907.

Entered at the Post Office at New York as Second Class Mail Matter.

Subscriptions by Mail, Postpaid.

DAILY, Per Month \$0 50
DAILY, Per Year 5 00
SUNDAY, Per Year 2 00
DAILY AND SUNDAY, Per Year 6 00
DAILY AND SUNDAY, Per Month 50 Cts.

Published by The Sun Printing and Publishing Association at 170 Nassau Street, in the Borough of Manhattan, New York.

If our friends who favor us with manuscripts for publication wish to have rejected articles returned they must in all cases send stamps for that purpose.

Community of Interest Between State and Public Service Corporation.

THE SUN recently suggested the possibility of establishing a community of interest between the State and the creature of the State, the public utility corporation; a Government partnership as a national alternative to the impracticable idea of Government ownership.

Mr. THOMAS A. WATSON proposes a method whereby he holds that such a partnership might equitably be arranged. Mr. WATSON'S notable industrial experiences give him competence to discuss the question.

With Government partnership once recognized as a principle, there would be little difficulty in finding efficient means for carrying it into practice. The idea seems to be in the air.

The Future of Canada. According to a telegram from London, Unionist and Imperialist statesmen, are now backed only by a weak minority in the House of Commons.

Sir WILFRED LAURIER said the other day, at a banquet given in Ottawa to Ambassador BRUCE, that reciprocity in any form is no longer a living issue in Canada.

eral election was due mainly to the indignat revolt of the constituencies at the suggested imposition of a duty on foreign grain. The unpopularity of such a tax has been proved so conclusively that we may take for granted that not for many years to come, if ever, will it be made a capital feature of the Unionist programme.

We believe that the previous and recent observations of Ambassador BRUCE cannot have failed to impress him deeply with the fundamental absurdity of perpetuating to the close of the twentieth century the deplorable schism of the English speaking people on this continent.

As for the material advantages that would flow to Canada from political or even commercial union, they are too obvious to need recital. Of course, the manufacturers who have developed a considerable home trade in the Dominion during the last quarter of a century would not welcome the competition of the United States within their special fields of activity any more than they would welcome that of the mother country.

Criticisms of Canal Management. It is a very reassuring fact that since the government of the Canal Zone and the construction of the canal itself have been turned over to the Engineer Corps of the United States Army we hear practically nothing more about graft or scandal in any other form.

No one can truly say that they are wholly without warrant in this respect. We have seen three different civilian chiefs abandon the undertaking. JOHN FINDLEY WALLACE was freely denounced and execrated when he resigned two or three years ago.

The Servantless Home. To THE EDITOR OF THE SUN:—Mr. Harold C. Phillips criticizes a foreign gentleman (presumably the Mr. Rich from Denmark) who has read about for trying to teach us "house and living."

An Editor's Need in the Subway. To THE EDITOR OF THE SUN:—I was in a subway express train that left the bridge about 9 o'clock A. M. When we were below Astor Place the train was stopped, and after a few minutes the lights went out, and we were in total darkness for some minutes.

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and so long as commissary supplies must be imported in cold storage, the complaint of garlic flavor will hardly appeal to the sympathy of the experienced. According to the Hon. Mr. RAINY the working force on the Panama Canal is getting very much the same food as the millionaires who frequent southern Florida during "the season," and has much less right to object to the arrangement.

Meanwhile, so long as there is no proper ground for protest excepting the food, which is about the same as the wealthiest in this region have to deal with, we may safely tell ourselves that the Panama Canal is in a fair way of early completion—so far as human power may avail.

The Annapolis Eight. The college crews which row an annual race on the Hudson River are prepared this year to welcome a newcomer, the senior eight from the Naval Academy at Annapolis. There are six universities which are represented annually in what is called the Poughkeepsie regatta.

Several things make the entry of Annapolis more than a possibility now. First of all, the Naval Academy crew is one of the strongest the institution has had in years and certainly will be among the leaders at Poughkeepsie. Then again, the summer cruise of the midshipmen comes at such a time that the members of the crew will be able to spend two weeks or more in preliminary training on the Hudson course and will be able to row the race and have a few days left over before leaving on the cruise.

He is VICTOR HOWARD METCALF, Secretary of the Navy. In his time at Yale Secretary METCALF was a member of the university crew, and he rowed in the boat which beat Harvard in 1876. He is keenly interested in athletic sports of many kinds, notably boxing and lawn tennis.

The theory of Annapolis, if accomplished, will be a noteworthy thing in rowing. Never before has a crew from the Naval Academy competed in an open intercollegiate regatta. Many university crews have journeyed to Annapolis to take a good drubbing in the last three or four years.

It has already cost the city \$24,458 to pay for the damages caused by an explosion as a fireworks display for the glory of the Hon. William Randolph Hearst. This is the sort of municipal control that pays.

The railroads protested and carried the case into the courts, where it is still pending. The Legislature passed the ETTA act in 1905. The railroads submitted evidence to show that the operation of all the lines would cost the State \$100,000,000.

Trustworthy estimates show that the world's output of wheat has practically doubled within the last thirty years. The crop of 1875 is recorded as 1,800,000,000 bushels, and the crop of 1905 as 3,500,000,000 bushels.

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A NEW METHOD OF COOPERATION IN THE INDUSTRY.

To THE EDITOR OF THE SUN:—The struggle of the people was long for religious and political freedom. In our day it has taken the form of a widespread and growing demand for a fuller control of their own destinies.

One form in which this discontent is expressing itself is in the many laws for the supervision and control of corporations, such as those for the regulation of railroad rates, those forbidding combinations in restraint of trade, for meat inspection and pure food, and a host of others both State and national, each having for its purpose some limitation of the power of private capital.

The more radical expression of this discontent is socialism, especially in its milder form, municipal ownership of certain industries, and Socialism in its more extreme public ownership of all industries are still in a small minority, probably a large majority of the people of this country, most of whom resent being called Socialists, are ready and eager for public ownership of some or all of the "public utilities," railroads, telegraphs, telephones, electric light and gas plants, coal mines and possibly other industries which are not so public in the nature of their work.

It is not surprising that the result of practical work done by the public organization is so poor when compared with similar work done by private corporations or individuals; the latter put into it a much greater energy, care and watchfulness than usually is found in the work of public officials; politics does not interfere in the selection of superintendents and workmen best qualified for their different functions.

The city shall guarantee a minimum dividend of say 2 1/2 per cent. on the capital stock of any corporation that will accept the minimum dividend of say 2 1/2 per cent. on the earnings of the company in any year not sufficient to pay a dividend of 2 1/2 per cent., then the city shall pay into the treasury of the company a sum sufficient to enable it to do so.

Employees shall receive standard wages and work standard hours. For each 1/2 per cent. in dividends paid stockholders more than the minimum dividend of 2 1/2 per cent., employees' wages shall be increased 1 per cent. Whenever the net earnings of the company are not sufficient to allow the payment of the minimum dividend of 2 1/2 per cent., employees' wages shall be reduced 1 per cent. for each 1/2 per cent. by which the earnings fall short of this minimum.

Some of the advantages of such a corporation would be as follows: Its board of directors would be peculiarly efficient. It would have no dummies supposed to represent the stockholders, but really representing some controlling body that pulls the strings of the corporation.

From this clashing of the interests of the public, the capitalist and the employee—especially from the disregard by the capitalist of the interest of the public—have come most of the ills of our modern industrial life and the general dissatisfaction with the present system of private ownership.

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tempting to create harmony by all sorts of costly and for the most part detrimental interferences with the sensitive machinery of industry. The capitalist himself wants to be let alone; he feels sure that if he is, competition and the law of supply and demand will unite the business system of the country in perfect harmony.

The object of this paper is to suggest that industrial harmony, now so urgently desired, may be obtained most easily and simply by giving the public and the employees direct representation on the boards of directors of industrial corporations instead of allowing such boards to represent only the interest of capital.

Each employee, being directly concerned in the success of the business by the dependence of his wages on its earnings and sharing the responsibilities of management, would work with greater energy and interest. Hence the output would be increased, its quality improved and many economies of operation gained.

The company shall be re-organized so as to allow the election of, say, eight directors, four to represent the public in such manner as may be authorized by the Legislature, two of the four selected from the employees and representing them as well as the public.

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important industry, of which the workmen have now little realization, would become familiar to them. This would tend to allay the distrust and suspicion that employees are so apt to feel toward the officials of a corporation; would make them more reasonable and contented. The stockholders' directors would get a clearer understanding of the objects and desires of the wage earners, besides being brought into much closer contact with the practical details of the work as seen by the workmen.

The public, being represented on the board of directors, would have confidence in its management; sharing substantially in the profits of the business, it would not take the antagonistic attitude it now does. In many ways the public could and would help instead of hindering the company's work, as now so often is the case.

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FRENCH SOCIALISTS AND THE ARMY.

The Socialists in France, as elsewhere, are opposed to armed forces. Their creed is "international," and one of its articles postulates the brotherhood of men, irrespective of race or country. The present Government of France is strongly tinged with Socialist influences. So the curious situation is produced of one of the great military Powers of the world being swayed by disbelievers in military power.

Two results of this self-contradictory situation have recently excited a great deal of feeling in France. The commander of the Twentieth Army Corps, General Bailleul, has been removed from his post for allowing, on a more or less public occasion, to "the war of to-morrow." About the same time a Lieutenant, who was dismissed a year ago for going in uniform to the Bourse du Travail and enrolling himself as a sympathizer with the "striking" proletariat, was restored to his rank.

This double decision of the War Office, taken under pressure from Socialists in Parliament, is condemned not only by extreme conservative newspapers, but also by such moderate and important organs as the Temps.

The Twentieth Army Corps, stationed on the eastern frontier of the country, where a rigorous winter is always maintained, is one of the principal commands in France, and General Bailleul is an officer of extraordinary distinction. The speech which led to his disgrace was a reply to the farewell of an old Colonel retiring after thirty-five years of service. The Colonel had expressed his sorrow that the "war of revenge," which had been the hope and object of his career, had not occurred while he could take an active part in it.

In answer to the Colonel, General Bailleul said among other things: "You have rightly recalled that we were within a hair's breadth of war in 1870. The same causes or fresh pretexts may bring about the same situation. Some day the war will come. Let us hope that your regiment and the other forces of the nation will be equal in that hour to the task imposed on them."

The Temps remarks on the Government's action against the General: "It is distressing to our patriotism to find that in all countries it is recognized that Generals are not necessary in modern wars, and some margin is everywhere allowed for the frankness of soldiers' impromptu speeches. The allusion was merely to preparation for war in the hypothetical war, which no one desires, but which must be borne in mind. That the constant preoccupation therewith of the commander of a corps stationed on the frontier should find expression in a quasi-dramatic utterance, we can not be regarded as either surprised or ill-pleased."

The Temps goes on to contrast the severity shown by the Government with the lenient treatment of the revolutionary Lieutenant. It fears that such policy will "blow away" the moral personality of the country, which, in spite of all, has earned as the sympathy and support of European opinion. In other words, the Temps is afraid that if the military force of France is controlled by anti-militarist heresies, her alliance will be as seriously curtailed as it has been hitherto by foreign Powers.

When the Peace Conference is approached, and proposals for disarmament are in the air, it is interesting to note that the country which is unquestionably at the present moment under more pacific influences than any other does not feel quite easy about the impression which her example is likely to make abroad. The "sympathy and support" which, in the opinion of the Temps, may be diminished through the French Government's peaceable policy are primarily those of Russia, the summoner of the Peace Conference, and of Great Britain, the chief advocate of limited armaments.

A sensible and a Good Natured View of Certain Attitudes. To THE EDITOR OF THE SUN:—What marvelous good fortune it is to be born in these United States, to be a part of the joy of the Republic, to be a part of the really abundant, every day provided, its own special delight, and the morning paper is sure to contain at least one exhilarating sensation. No wonder the American people adore President Roosevelt, for he is the most enterprising individual this country has ever produced, and he provides in plenty that variety which is the spice of life.