and contrast it with that of the Union Pacific. Mr. Crocker's arguments are no less vigorous than those of Mr. Adams, and are equally conclusive in their way. But they deal with the whole matter from a different standpoint. While Mr. Adams is asking, "What course will best secure the permanent interests of the investors?" Mr. Crocker's question simply is, "What are the specific rights of the parties in the case to-day?" The latter question is much easier to answer than the former; but Mr. Crocker's method of answering it sacrifices the interests of the Government to-day, and those of the stockholders for years hence. It is this which constitutes one of the chief difficulties in dealing with the case of the Central Pacific. The road is in the hands of men who have transferred a large part of their holdings to a rival line. The conditions are such that they are still interested in the temporary returns from the Central Pacific, but have by no means a corresponding interest in its permanent value. Thus situated, they can afford to ask the Government, "What are you going to do about it?" They can disregard the wants of the Government because they consider the temporary rather than the permanent wants of the railroad. Mr. Adams pursues the opposite course, and in so doing he is bound to help the Government rather than to thwart it. It may prove impossible to collect the whole value of the debt in any case. The Union Pacific Road was long managed for temporary interests instead of permanent ones, and its permanent power was somewhat weakened. But the tendency of the present management undoubtedly is to give the Government a chance of collecting more than it would be likely to get under any other system.

This conflict of interests is made unnaturally sharp in the case of the Pacific railroads by the peculiar conditions of the subsidy bonds. The interest charges are all the time accumulating, but the Government cannot foreclose till 1897. Up to that time the officers of the companies can, within certain limits, do what they please with their earnings; after that the Government claims will have so accumulated that, unless some funding arrangement is made, they will completely swamp the stock, and render it alike powerless and valueless. With a short-sighted policy on both sides, the Government might insist on its full claims and technical rights, but meantime the management could pocket a large part of what was valuable before those claims or rights could be enforced, and leave the property so depleted as to be of little value.

What is clearly seen in this case really happens in a large number of other cases where it is not so obvious. If a railroad manager is so situated that his object is simply to have a large current income at his disposal, he can often best secure this by high rates for local traffic, by postponing repairs which must sooner or later become necessary, or by borrowing money to pay for current expenses and charging the whole to capital account. In any of these events the permanent interests of the property will suffer; but if his connection with it is only temporary, he cares comparatively little for that. If, on the other hand, he is considering the future as well as the present, he will build up the local business of his railroad, even by rates which may seem to involve a slight loss for the moment; he will make such repairs as are necessary to keep the road in first-class condition, and will have no inducement to charge them to an account to which they do not belong. By such a course the public interest is protected, by any other it is sacrificed.

The case of the Pacific railroads has its widest importance as furnishing one more illustration of the ways in which the interests of the investor coincide with those of the public. As a mere matter of financial outlook, the efforts of Mr. Adams for the security of the property-holders promise better for the Government than any of the schemes of those who look at the matter from a purely political standpoint. If this is true in questions of finance, there is every reason to suppose that the same thing will be true in the broader questions of rates and facilities. The advocates of State railroad management fail to see that, under any system of government which we are likely to have, the aims of the authorities are pretty certain to be short-sighted. To make as good a showing as possible when in power, and to leave matters in uncomfortable shape for one's successor on going out of power—such is the combination of principles which confronts a national administration. Even if there were little or no corruption in State railroad management, there would be an almost irresistible temptation to doctor the accounts in such a way as to give the existing administration as much as possible of the disposable receipts, and saddle the expenses upon its successor—to give lower rates or to build new lines, not so much with regard to the wants of trade as to political capital. We do not need to go further into this aspect of the subject. It is enough to contrast the effects of management for the future, as represented by the Union Pacific, with that of management for the present only, as exemplified on so many other roads; and then to ask which of these methods is likely to be encouraged by a further infusion of politics into railroad administration.

THE SENATE AND THE TREATY.

THE report of the Senate Committee on the Fisheries Treaty takes three positions which are new to the history and policy of the country, and which accordingly ought to arrest the attention of every thoughtful citizen. The first is, that the President had no right to appoint plenipotentiaries to negotiate a treaty while Congress was in session, without first asking the advice and consent of the Senate and communicating the names of the negotiators to that body. It is not insisted in express terms that such proceeding on the part of the Executive is unconstitutional, but that it is unwise and fraught with grave dangers. "It is not difficult to see," says the report, "that, in evil times, when the President of the United States may be under the influence of foreign and adverse interests, such a course of procedure might result in great disaster to the interests and even the safety of our Government and people." The minority of the Committee enumerate 423 appointments of negotiators to frame treaties and conventions with foreign governments without the concurrence and advice of the Senate or the express authority of Congress, as against thirty-five appointed with such advice and consent. A considerable number of the former class of appointments were made while the Senate was in session, but it does not appear that the President's right to make appointments in this way was ever before called in question. Perhaps it never happened before that such appointments were made "in evil times," or by a President who was "under the influence of foreign and adverse interests."

The second novelty discovered by the Committee is that the fishery dispute is not a fit subject for negotiation at all. This conclusion, the gravity of which cannot be overestimated, is stated in these words: "In view of the plain history of these transactions, and of the matters hereinbefore stated, *it does not seem to the Committee that the existing matters of difficulty are subjects for treaty negotiation.*" The matters hereinbefore stated are principally negotiations extending over a period of more than a century. It is easy to say, if the Committee are so minded, that these negotiations have at last got in such shape that no further negotiation is necessary, but to say that the fishery question is not a fit *subject* for treaty negotiation is simply to affirm that we are superior to the rules that govern civilized nations. We may be so convinced of the uselessness of further negotiation that we may elect to take the consequences, or, as the Committee say in another place, "decline at whatever cost to enter into new engagements with the British Government." We may do so under a conviction that justice cannot be secured by further negotiations, but the Committee go much further when they say that the existing matters of difficulty are not even the subjects of negotiation. Such a position puts the United States distinctly outside the pale of civilized nations, since civilization now, and ever since the predatory period, has recognized the equal rights of nations to their opinions of their own case in all matters of difficulty whatsoever. The peace of the world rests squarely on the recognition of such equal rights, and the mutual acknowledgment that the claims on one side are as good as those on the other *prima facie* and without exception. If the Senate Committee's position is to be taken by the United States, it follows that arbitration should also be rejected, because arbitration requires preliminary treaty negotiation.

In fact, the third position taken by the Committee excludes arbitration as well as treaty. It simply affirms the duty of the President to put in force the Retaliation Act of March 3, 1887. This act requires the President to make up his mind, upon any state of facts that may arise, whether American fishing vessels have been

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unjustly treated in British-American ports, and if he thinks that they have been so treated, it authorizes him "in his discretion" to issue a proclamation closing our ports to British-American vessels, or to prohibit the importation of fish from Canada, or both. The fishermen indicated to the President a year ago that the prohibition of Canadian fish was what they wanted under the Retaliation Act. Since the whole fishery dispute arises from the duty on cod and mackerel, and would never have existed otherwise, we may infer that the Senate Committee would be satisfied if the President would search his own heart and find just sufficient evidence of Canadian injustice to give a monopoly of the fish market to the Gloucester smack owners, but not enough to bar out Canadian lumber vessels. They see no danger in the exercise of such a power, while alarmed at the negotiation of a treaty open to rejection by the Senate.

TREASURY METHODS.

MR. FAIRCHILD has acted very wisely in appointing a committee of Treasury officials to inquire into the methods now in vogue in his Department, and to suggest means whereby they may be simplified. The select Committee of the Senate, known as the "Cockrell Committee," have paved the way for this new Committee, by publishing the result of their investigations, showing in detail all the processes of the intricate machinery at work in the various bureaus and divisions of the Treasury. Instead of preparing himself to resist the changes which are likely to be proposed by the Senate Committee, Mr. Fairchild, it seems, purposes to anticipate them, and, as he has selected for his Committee young men who are not wedded to any existing customs, it is also manifest that he wishes as complete a revolution in the system of public accounting as may safely be made. Mr. Fairchild's chief desire, it is said, is to be relieved himself of unnecessary or unimportant work. Few people understand how arduous are the manual labors even of the head of the Treasury Department. He and one of his assistants are kept engaged during a great portion of each day in issuing warrants, either for the setting apart of moneys into the various funds provided by law, or for the payment of money into the Treasury, or for its disbursement. Under a plan instituted by Hamilton, and upon which he ided himself, the Treasurer can neither ay out nor receive into the Treasury any money, unless he has an order from the Secretary commanding it, which order must be countersigned by the Comptroller and recorded by the Register.

The public business has so greatly increased since Hamilton's day as to make it impossible for the Secretary to inquire into the merits of any case, when these warrants, which are prepared by subordinates, are presented to him for his signature; and the work, therefore, is, and for many years has been, purely mechanical. Money is paid out of the Treasury in two ways. It is either *advanced* to a disbursing officer upon a requisition, drawn by him or by his superior officer, approved by the various officials who have to do with his accounts, or it is paid upon a *settlement* of the accounting officers, who certify the amount to be due to the person in question, and request the necessary warrant to issue. In the first case the Secretary draws the warrant without question, relying upon the safeguards and checks which are indicated upon the requisition. In the second case he merely carries out *pro formâ* the recommendation of the Auditor or Comptroller, who alone knows, and who alone can know, of the propriety of the payment.

Now, the point which it is desired to make here is, that in all cases the responsibility of the payment does not rest with the Secretary, and that his time is too precious to be consumed in carrying out in a mechanical way the virtual orders of those who are acquainted with the true condition of affairs, and who are punished for any carelessness or fraud in presenting it to him. Hamilton regarded the Comptroller and himself jointly liable for an improper payment. In this day a Secretary could not be considered responsible at all, as it is out of the question for him to stop to inquire concerning anything but the presence of certain signatures and initials on the paper before him.

In view of what has just been mentioned, the plan suggested by Mr. Washington, at one time Assistant Secretary of the Treasury, is worthy of Mr. Fairchild's attention. He advocated the disbursement of money by the Treasurer upon a warrant issued by the head of the department under whose control the fund in question might come. In other words, he insisted that as the Secretary of the Treasury could seldom, if ever, properly resist the requests of other heads of departments for the issuance of warrants, and as they, not he, were actually, and indeed should be, held responsible for the propriety of payments which they had requested to be made, these requests should be directed by them immediately, and not mediately, to the Treasurer.

This would be a great and judicious lessening of the labors of the Secretary of the Treasury, and there is no reason to think that any laws of prudence would be violated by thus omitting the supposed safeguards of the Secretary's signature, the Comptroller's counter-signature, and the Register's certificate of registry. The Treasurer would be required to pay money upon the order direct to him of the head of any department, but it could be agreed that this order should be certified by the proper auditor and comptroller who might handle the account upon which it is drawn. Concerning moneys paid upon settlements, it is plain that the Comptroller who certifies the balance, should be allowed to draw his warrant on the Treasurer direct, instead of requesting the Secretary, who never saw the account or any of its vouchers, to join with him in this order.

THE PRESBYTERIAN CENTENNIAL.

A DEEPER significance than was perhaps intended may be seen in the choice by the Presbyterians of the United States of the one hundredth General Assembly of their Church as the occasion for their most conspicuous centennial celebration. Of course, the Philadelphia Assembly of a century ago was far from marking the introduction of Presbyterian belief or the Presbyterian polity into this country. Presbyterian beginnings here can be traced much more than a hundred years back of that gathering. Very early in the history of the Carolinas and Virginia, as also of New York and parts of New England, emigrants from Scotland, the north of Ireland, and from Holland, brought in Presbyterian elements to be slowly disentangled from the religious complexity of the times. It is not, then, the establishment of either Presbyterian doctrines or presbyterially governed churches that the Presbyterians of the nation glorify and commemorate this month at Philadelphia. It is, rather, the rounding out of their ecclesiastical system in this country—the last step which had to be taken to make their polity symmetrical and complete, the perfection of their church machinery—which is the great thing behind this Presbyterian centennial. The salient fact is that a hundred years ago Presbyterianism became essentially the machine it is to-day—always speaking of the polity—for a firm ecclesiastical rule under a representative form of government and with parity of the clergy.

That this description of what took place a century ago is correct is witnessed by the fact that the consolidating and centralizing movement which issued in the General Assembly was opposed, and, for a time, almost rebelled against, by some who dreaded ecclesiastical tyranny. They had enjoyed the freedom and independence of separate synods, and were not anxious to submit themselves to what might turn out to be, under the guise of a national system, a scheme for ecclesiastical domination. That their fears have proved to be, in some respects, well founded, the subsequent history of the Presbyterian Church amply shows. The most important matter all along has been the control of the church courts. Everything else has been subordinated to this by those bent on moulding the Presbyterian Church—as well it might be; for what was the use of arguing about creed and subscription, about temperance or slavery, when possession of the ecclesiastical machine could end all argument? We do not mean to say that there has been no zeal on pure questions of doctrine or morals, but simply that there has been no such zeal as there would have been had not the short and easy way of voting down opponents who could not be reasoned down, been made so ready of application in the Presbyterian system. When a minority has been too strong to be extinguished, the result has been a schism, so that each party might have its own smoothly running machine—as was the case in the division into the New-School and Old-School branches a half-century ago.

Indeed, when we state that the most distinctive thing about Presbyterianism of to-day is its compact polity and vigorous ecclesiastical control, we are not alone saying

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