

gar, as for professing and teaching anarchism as a merely speculative doctrine. The utter hopelessness of the problem is shown by the Committee's final solution of it in the following definition, which really gives us nothing new:

"Criminal anarchy is the doctrine that organized government should be overthrown by violence or force, or by assassination of the executive head or of any of the executive officials of government, or by any unlawful means. The advocacy of such doctrine either by word of mouth or writing is a felony."

The rest of the bill prescribes pains and penalties for those who by word of mouth or writing advocate the forcible destruction of government and the assassination of rulers; and it declares a gathering of two criminal anarchists an "unlawful assemblage." In practical operation, however, the act can accomplish nothing more than is now accomplished under section 29 of the Penal Code and under section 451, as follows:

"Whenever three or more persons assemble with intent to commit any unlawful act by force; or assemble with intent to carry out any purpose in such a manner as to disturb the public peace; or, being assembled, attempt or threaten any act tending toward a breach of the peace, or any injury to person or property, or any unlawful act, such an assembly is unlawful, and every person participating therein by his presence, aid, or instigation, is guilty of a misdemeanor. But this section shall not be so construed as to prevent the peaceable assembling of persons for lawful purposes of protest or petition."

Under these existing laws, John Most and Emma Goldman have served terms in the penitentiary. Puttering over the petty changes by which two persons instead of three may constitute an unlawful assemblage, and by which the offence is made a felony instead of a misdemeanor, is as useless as stretching out your hand to stop the wind.

No—the malady, like many others of the body politic, cannot be driven off by any purgative of law. Drastic punishments are impotent to restrain; they will serve only to spread the propaganda of anarchism. We must remember that courts and prisons, judges and jailers are not, after all, the great securities of our property and lives. In the maintenance of a just government, our writs, subpoenas, and decisions are dead instruments compared with the force of an active and intelligent public opinion; and although there can be no absolute protection against the vagaries of an anarchist, a just government is our strongest safeguard.

MR. HEPBURN ON CURRENCY REFORM.

At a meeting of the Academy of Political Science at Columbia University last week, Mr. A. B. Hepburn, ex-Comptroller of the Currency, spoke on the monetary problems of the present day. The address was notable in two points, upon which Mr. Hepburn holds views somewhat at variance with

those of other currency-reformers. He maintains that the system of clearing-house loan certificates, by which the consequences of monetary stringency are more or less mitigated by the banks in times of panic, cannot be depended upon as a means of relief in such emergencies, and hence must be replaced by some other system. He holds also that the retirement of the greenbacks, however desirable as a step toward a reform of the currency, is not necessary to such reform, and may well be postponed until a better system of banknote issues shall have been devised. In the debate which followed Mr. Hepburn's address, Professor Seligman concurred with the speaker in the opinion that the business community, in depending upon clearing-house loan certificates in times of crisis, is leaning upon a broken reed, and that some better and more legal method of relief should be devised before the next financial cyclone strikes the country.

Banks are required by law, and still more by the rules of business prudence, to keep on hand a certain percentage of cash to meet the demands of depositors. This may consist of anything which passes current and which everybody accepts without question. In times of severe stringency, some banks are likely to be caught short of currency and exposed to failure. In such cases, the failure of one bank will create public alarm and lead to extraordinary demands for currency upon all the banks. The ingredients of a panic thus accumulate with great rapidity, and may within a short time close all the banks except the very strongest, and cause widespread disaster throughout the business community.

On five different occasions the Clearing-house bankers of New York have "pooled their reserves," and have thus checked the prevailing panic. They have put all their cash into one heap, and appointed a committee to parcel it out by means of loan certificates among the banks, according to their indispensable needs, taking as security for the loans the bills receivable of the banks which required such assistance. Virtually, the Clearing-house Loan Committee discounts the paper of the weaker banks. This process can go on legally as long as the common heap of currency lasts. When it is exhausted, however, or is pretty near exhaustion, the banks, even the strong ones, will make difficulties about paying checks, will certify them as "Good through the Clearing-house," and hand them back to the drawer. If the drawer is content with this kind of payment, well and good; but if he is not, the bank must either pay or incontinentally "go to protest."

In the panic of 1893 most of the banks of the United States were in a state of virtual suspension for some weeks. Currency was bought and sold at a pre-

mium over certified bank checks in Wall Street, while in many places it could not be obtained at all. Numerous substitutes for currency were devised and used—some as small as twenty-five cents—all of which were illegal and were liable to a Federal tax of 10 per cent. Now Mr. Hepburn's thesis is that the country cannot depend upon an illegal method of warding off the effects of a commercial crisis. A time will come—may come any day—when the public will not accept checks stamped "Good through the Clearing-house" in lieu of the cash which they have the right to demand. They may not agree to take these certified checks to brokers' offices and pay from 1 to 5 per cent. for the currency which the checks call for. The business community may be so hard pressed at some future time as to make simultaneous demands on the banks, as was done in 1857, whereby all the banks in New York were closed except one. Moreover, the credit of New York as a financial centre is impaired, both at home and abroad, by the frequent resort to Clearing-house loan certificates, which is another name for bank-suspension either general or partial.

What then shall be done? Mr. Hepburn points to the example of Germany, where the law authorizes banks to issue an emergency circulation upon the payment of a tax of 5 per cent. on the notes issued over and above the normal amount. This privilege was availed of by the Imperial Bank of Germany in the crisis of last year to the amount of more than 100,000,000 marks, and with the happiest results. The bank virtually said to the business community: "Have no fear; we will discount all the good paper that you bring us." And so it did. There was no chance for a panic to gain headway. In fact, there was no panic. Some few speculators were crowded to the wall because their securities would not pass muster, but no solvent trader or manufacturer was allowed to fail if he would pay the moderate tax which was imposed upon the emergency circulation. Certainly a trader who would grumble over a tax of 5 per cent. (which goes into the Imperial Treasury) cannot be very hard pressed.

The moral is that we ought to devise something akin to the German system which has now been in operation a quarter of a century, and which has carried that country safely through half-a-dozen crises of greater or less severity since it was established.

THE FRENCH ELECTIONS.

President Loubet's visit to Russia will fall very opportunely between the proclamation of the Franco-Russian alliance in the Far East and the general election. When the credit of 500,000 francs for the Presidential journey was voted on Monday in the Chamber of Deputies,

a scene took place which, if insignificant in itself, showed very strikingly the difficulties of the Ministry which is so soon to seek a vote of confidence from the electors. A Socialist rose after the vote and moved that an equal sum be appropriated by the Chamber for the relief of laborers who were out of work. The motion failed, but the incident brought out clearly the strength and the weakness of the Waldeck-Rousseau Ministry, namely, the alliance with the Socialists.

Practically, all sincere and rational opposition to the present Government concerns this "unholy alliance," which, in the view of many of the most respectable party leaders, has already involved the Ministry in dangerously radical legislation, and must infallibly lead to the overthrow of the republic and to anarchy. The most influential orator of the *Ralliés*—the Roman Catholic adherents of the republic—is the Comte de Mun. During the debate on the Associations Law he managed to draw from the Socialist members a practical avowal of their plan for general confiscation. There were other milliards, said one of them, which might be considered after the milliards of the monastic orders had been sufficiently reduced. In the vein of the Comte de Mun, MM. Ribot and Poincaré, leaders of the Progressive Republican party, have recently spoken at Marseilles and Rouen respectively. M. Poincaré expressed profound distrust of Waldeck-Rousseau's Socialist allies:

"It would be a grave illusion," he said, "to imagine that in taming men, one necessarily tames the ideas which they represent. The moderates of the Socialist party—if indeed there be Socialists capable of moderation—themselves distrust the doctrines of their most violent coreligionaries. . . . Only the other day the Socialist Congress at Tours reaffirmed a declaration of principles which in all essentials might have been signed by outright revolutionists."

The outward sign of M. Waldeck-Rousseau's confidence in his Socialist allies was the appointment of the Socialist leader Millerand to be Minister of Commerce; and unless there be some profound hypocrisy involved in "Comrade" Millerand's position, one must feel that M. Waldeck-Rousseau has not only "tamed" his Socialists, but, measurably, their ideas also. In M. Lavy's interesting book, *L'Oeuvre de Millerand: Un Ministre Socialiste*, are collected the most important addresses of the Socialist Minister, in all of which Socialism appears as a gradual process of reform wholly compatible with any free form of government. As long ago as 1896 in the "Programme de Saint-Mandé," M. Millerand affirmed collectivism to be an irresistible tendency, an inevitable product of social conditions as we find them. "No one can and no one will deliberately bring about collectivism. It is making, day by day, and is, grant me the phrase, the very secretion of the

present capitalist régime." Again, in the same speech, he declared the minimum Socialist programme to be: "(1) the nationalizing of the means of production now in capitalist hands—gradually, as fast as the several industries are ready for such transformation; (2) the increase of the powers of the people through universal suffrage; (3) international federation of the working classes"—all of these to be obtained not by "a minority in revolt," but by a "majority conscious of the benefits of such a social transformation."

If Millerand spoke for his party, no one could quarrel seriously with a Socialist propaganda which sought definite reforms by regular parliamentary methods, and appealed not to the war of class—hatred of the capitalist and contempt of the bourgeois—but to the convictions of all the citizens of France. Unfortunately, the utterance of the leader of the Radical Socialists, the eloquent Jaurès, and the resolution of the Guesdists at Tours hardly justify so hopeful a view of the Socialist movement. It is fair to say, however, that in the various municipalities, notably Marseilles, which are governed by Socialists, the necessity of facing definite policies and expressing them in action has very much sobered these radical reformers. On this analogy one would expect to find that three years of constructive legislation with Waldeck-Rousseau has made "parliamentary Socialists" out of many of the Radicals.

M. Waldeck-Rousseau presents to the voters of France a tremendous argument in his three years of brilliant leadership. He found France torn by the passions of the Dreyfus agitation, and brought about, if not theoretical justice, at least peace. He reorganized the General Staff of the army courageously, and yet in such a way that the Nationalists had small pretext for violent recriminations. He came into a Parliament where there was no real majority, and organized from many groups a majority which for two years and a half he has held intact and increased. He has made the Socialists work with him, but has committed the Government to none of their more extravagant demands except the abortive project for old-age pensions. He has carried through the bill restricting the right of association and revising the monastic holdings—a purge which has to be administered every so often in all Roman Catholic countries—without seriously alienating the Catholics. His whole administration has been marked by high statesmanship, or all signs deceive. It is impossible to believe, with his conservative critics, that he has in gayety of heart embarked with a mutinous crew of Socialists on a voyage towards political disaster and oblivion.

France votes next month for or against M. Waldeck-Rousseau. In spite of doctrinaire politicians of high character, the

issue is much less a political than a personal one. M. Waldeck-Rousseau not only rests upon his record as Premier, but justly enjoys a certain reflected popularity from the real love which the French nation has learned to give to the sturdiest and simplest and withal most amiable and sagacious figure in politics to-day—President Loubet. The rabble of Legitimists, Bonapartists, Anti-Semites, and reactionaries of all degrees which marches under the flag of Nationalism will make noise out of all proportion to the seriousness of their opposition. We believe that the vote of the arrondissements next month will show that the French are convinced that M. Waldeck-Rousseau has deserved well of the Republic.

THE RAILWAY STRIKE IN ITALY.

ROME, March 10, 1902.

A most animated Italian Rome, truly, gathered in the public squares, lined the streets, filled the balconies, to see the young King on his way from the Quirinal to the Senate-house to open Parliament in person for the first time. Tickets of admission to Palazzo Madama were sparingly given, and the main thoroughfares through which the procession passed were guarded with troops; but the crowds shouted welcome both to the King and to his charming, simple, beautiful young Queen, who looked around with naïve interest and animation. The hall was splendidly decorated, and ablaze with light and color. The throne from which King Victor Emanuel III. spoke is the same whence Carlo Alberto announced the *Statuto* in 1849, and Victor Emanuel II., first King of Italy, proclaimed Italian unity in 1861. The speech occupied barely ten minutes, but one had time to note the various humors of the different groups of Senators, Deputies, and the very limited number of spectators admitted. Considerable curiosity had been evinced by the public and the press as to the actual programme of the second session of the twenty-first Legislature, after a long vacation and the resignation, on the very eve of its inauguration, of the Minister of Public Works, on account of the divorce project, said some—in consequence of his disagreement with his colleagues as to the action to be taken on the burning question of the railways agitation and threatened strikes, according to others.

Hearty applause greeted the King's allusions to his father's worth and loss to the army and the navy; but the decisive affirmation of the attitude of the Government towards the Church, though hailed with vociferous delight by a portion of the assembly, was received in marked silence by others. Few but incisive were the spoken words: "In the relations between the State and the Church, my Government intends to maintain strictly the separation of the civil and spiritual orders; to honor the clergy, but to confine it to the limits of the sanctuary; to pay unlimited respect to religion and to liberty of conscience, but to preserve inflexibly intangible the prerogatives of the civil authority and the rights of national authority." The announcement of the action which the Gov-