

The Outlook

A Family Paper

NEW SERIES OF THE CHRISTIAN UNION

Volume 50

For Week ending 24 November, 1894

Number 21



THE report that the Administration was about to hazard another issue of bonds seemed at first incredible. The general condemnation of the issue last January as unwarranted by the law, its failure to build up the gold reserve, and the absence of any popular demand for another issue, combined to make the public believe that a new loan was out of the question. Even the New York "Post," which justified the earlier issue, declared that there was now no occasion for a second one. The currency in the Treasury exceeded by twenty millions its amount last January, and the gold in the Treasury exceeded by ten millions its amount early in the recent political campaign. Yet President Cleveland, with no support except from among the bankers, has, immediately after the election, added another \$50,000,000 to the interest-bearing debt of the country. The bonds must be paid for in gold, and nominally can be bid for only by those who have enough of that metal on hand to advance twenty per cent. of their subscriptions when their bids are accepted. This requirement, however, does not really exclude bids from the holders of other kinds of currency (except bank-notes and silver). These can send their currency to the Treasury and draw out the gold which afterwards they return in payment for the bonds. The bonds run for ten years at five per cent., so that \$25,000,000 of interest must be paid on them, less the premium paid by the buyers. On the former issue the Secretary fixed a minimum price of $117\frac{1}{4}$, in order that the loan might be so carried as not to exceed three per cent. interest. This time no such precaution is taken. The loan will be issued in any event, no matter if the rate shall be double the two per cent. at which Secretary Foster, amid Democratic protests, continued a part of the bonds that fell due during his administration.

The question of interest, however, is unimportant compared with the question as to the disregard of law by those charged with its execution. The act of 1875 under which the Administration finds authority for issuing bonds in 1894 was passed, as every one knows, to provide for the resumption of specie payments in 1879. After directing the Secretary of the Treasury, on and after the first day of that year, to "redeem in coin" on demand any "legal-tender notes then outstanding," the act continues as follows:

"To enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized and required, he is authorized to use any surplus revenues . . . and to issue [four or five per cent.] bonds . . . to the extent necessary to carry this act into full effect."

The clause quoted contains all the words of any statute authorizing the Secretary of the Treasury to issue bonds without the consent of Congress. It was on this ground,

therefore, that so conservative a member of the Senate Judiciary Committee as Mr. Hoar declared that the bond issue last January was a usurpation of power, and the bonds conveyed "no Constitutional or legal obligation;" while even Senator Sherman, who maintained that it was still legal for the Secretary to issue bonds to increase the gold reserve, admitted that it was illegal to use the proceeds for any other purpose. The question whether the gold paid for the bonds secured will be taken from the Treasury by the presentation of other currency, and the question whether the prospective revenue from the sugar tax and the income tax destroys the plea that more funds are needed, we do not care to discuss. Were the issue of bonds by Congress under consideration, these would be the important questions. But they are unimportant when the bonds are issued by the Administration in disregard of the Constitutional principle that the levying of taxes and the borrowing of money can be authorized only by Congress, and the legal principle that executive officers must not strain the laws they are charged to execute.

The next House of Representatives will apparently be compelled to devote a great deal of attention to contested election cases. In Texas nearly every district is close, and there will be at least four contests in the interest of the Populists. In Louisiana the Republican managers claim to have been defrauded in three districts, and the Populists in one or two. In Alabama there are at least five, and possibly seven, contests ahead, two for the Republicans and the rest for the Populists. In Georgia the Populists carried three districts in the State election last month, and claim that they would have carried four in the Congressional elections this month but for the frauds perpetrated against them. In South Carolina, where the contest was between two Democratic factions, the one with which the Conservatives voted claims that it was grossly defrauded. The Charleston "News and Courier" fairly shrieks with rage against the Tillmanites, not for defrauding voters, but for defrauding "white" voters. In Virginia also, despite the alleged ballot-reform law, which the Populists, the Republicans, and the Prohibitionists denounced as a sham, the charge of extensive fraud has the support of at least one Democratic paper—the Richmond "Times." In most of the districts in which the contests are to take place the Democratic majority is narrow, but in one district, where the majority, as returned, is over seven thousand, there is already at hand conclusive evidence that the Populist candidate was elected.

This was the tenth Georgia district, where ex-Congressman Watson again tried to regain his old seat from Major Black, its present occupant. The following was in part the

dispatch published in the Atlanta "Constitution" the day following the election:

"Augusta, Ga., November 6.—(Special.) The total vote polled in Richmond County is 15,851! Black has 12,000 majority. . . .

There were several clashes between Democrats and Populists at the polls.

O. P. Doolittle and T. L. Best, both Populists, were badly beaten up.

One man killed, two seriously wounded, and three others shot is the history of a clash at the 1,269th district polling precinct.

John M. Goss was killed.

W. H. Bohler, Jr., was shot through the left lung, and will die.

Marshal George Heckle, of Summerville, was shot in the left side below the heart, and again in the left side of the neck, the ball lodging in the shoulder.

Dr. Carmody was shot in the right hip.

Richard Beale, colored, was shot in the right side near the waist, the ball entering the back and lodging.

Dan Bowles was shot in the forehead."

To the ordinary Northern reader the outrage here described was the bloodshed; to the Georgia reader, however, it was embodied in the first sentence. The vote of 15,800 was polled in a county with a census population of 45,000, of which only 11,000 are males over 21 years of age! One Atlanta Democratic paper, the "Commercial," had the honesty and sense of justice to denounce the election in Richmond County as a "steal for which there was neither justification nor palliation." The Atlanta "Constitution," however, while admitting that the election was a "carousal of corruption," attempts to secure for its party the fruits by claiming that both parties were responsible—"the Democrats not more so than the Populists, unless it be that they were better at counting." The moral spirit of this apology is perhaps its sufficient condemnation, but its falsity as to fact is simply glaring when one turns to another column in the same paper and compares the votes by counties in the tenth district with the census of population. This district consists of Hancock County, containing Augusta, where the Democrats control the election machinery, and ten agricultural counties, where, as a rule, the Populists control it. The contrast between the two sections was as follows:

	Majority.	Votes.	Men Over 21.
Ten Agricultural Counties..	5,000 Peo.	19,000	26,000
Hancock County	12,000 Dem.	16,000	11,000

In other words, the vote in the agricultural counties was no greater than the normal vote in a closely contested election, while the vote in Augusta was five thousand greater than the possible vote had every legal voter, black as well as white, indifferent as well as interested, been brought to the polls. In the hotly contested State election last month, when the registration law was observed, the total vote in Hancock County was but 4,200. The greater bitterness of the Congressional election might have increased the legal vote to five thousand or even six thousand. But even then there were ten thousand fraudulent votes stuffed into the ballot-boxes. Frauds equally criminal have been of frequent occurrence, but frauds so preposterous have never before been brought to the attention of Congress or the country. The opportunity is a rare one for the Republican majority in the next House, having no occasion to strengthen itself, to appoint a judicial and not a partisan committee on contested elections, and to throw out all returns where the election officers have knowingly permitted fraud. There is to-day among the Southern public an unprecedented demand for election reform, and the power of this demand among the politicians will be effectual if Congress shall make the corruption unprofitable. There is, it should be said, a possibility of a voluntary new election in the tenth Georgia district.

President Cleveland, as a result of recent conferences with the members of the Civil Service Commission, has by executive orders considerably extended the number of offices brought under the civil service rules. The effect of these orders will be to include under those rules all employees in the customs service except workmen or laborers, and to include in the classified service of the Post-Office Department the clerks employed in the offices of the post-office inspectors and a large number of others heretofore excepted from the civil service rules. With these amendments are one or two making those rules more flexible, especially allowing the appointment of graduates of normal Indian schools as assistant teachers upon their certificates of graduation, and allowing the temporary appointment of clerks in Washington for a period not exceeding thirty days in cases of special exigency. The "Evening Post," apropos of this enlargement of the application of civil service rules, calls attention editorially to the steady progress which has been made in this important reform. Civil Service Reform was attempted under General Grant, but in 1875 Congress refused appropriations necessary for the work, and the plan, therefore, of competitive examinations was abandoned. It was revived again in 1883, when about fourteen thousand people out of a total civil service of one hundred and ten thousand were brought under its rules. Subsequent additions have brought over three times that number under these rules, and this last change will still further increase the number. There is plenty for Civil Service Reformers to do, but enough has been done to inspire them with hopeful courage.

The Commission appointed by President Cleveland to investigate the strike at Chicago last summer has made a report surprisingly favorable to the American Railway Union. The substance of the report has been reprinted at much length in most of the Western papers—whose readers had already heard the side of the strikers—but has been only dimly outlined in most of the Eastern papers, whose readers had not heard that side. The most significant passages are perhaps the following:

"If we regard its practical workings rather than its professions as expressed in its Constitution, the General Managers' Association has no more standing in law than the old trunk-line pool. The Association is an illustration of the persistent and shrewdly devised plans of corporations to overreach their limitations and to usurp indirectly powers and rights not contemplated in their charters and not obtainable from the people or their legislators. It should be noted that until the railroads set the example, a general union of railroad employees was never attempted. For the year ending July 1, 1893, the dividends [of the Pullman Company] were \$2,520,000 and the wages \$7,223,719.51. For the year ending July 1, 1894, the dividends were \$2,880,000 and the wages \$4,471,701.89. The conditions created at Pullman enable the management at all times to assert with great vigor its assumed right to fix wages and rents absolutely. During all of this reduction and its attendant suffering none of the salaries of the officers, managers, or superintendents were reduced. If we exclude the aesthetic and sanitary features at Pullman, the rents there are from twenty to twenty-five per cent. higher than rents in Chicago or surrounding towns for similar accommodations. The Company claims that it is simply legitimate business to use its position and resources to hire in the labor market as cheaply as possible and at the same time to keep rents up regardless of what wages are paid to its tenants or what similar tenements rent for elsewhere. There is no evidence before the Commission that the officers of the American Railway Union at any time participated in or advised intimidation, violence, or destruction of property. They knew and fully appreciated that, as soon as mobs ruled, the organized forces of society would crush the mobs and all responsible for them in the remotest degree, and that this meant defeat. Few strikers were recognized or arrested in these mobs, which were without leadership, and seemed simply bent upon plunder and destruction."

So much for the facts in the case. Regarding the measures