

any portion of the sentence duly authorized and required by the statutes. Many of these persons are leading blameless lives and have re-established themselves in the confidence of their fellow-citizens, and it is believed that the enforcement of the law at this late date would, in most instances, be productive of no good result.

The President has done what he could to prevent the immediate evils which would result from the decision of the Supreme Court, but has still left it the duty of prison reformers to take up the question of what can be done to prevent future evils.

THE REAL FAME OF MILWAUKEE

A wide-awake group of Milwaukee men, members of the Rotary Club (a National organization in which the leading business men of many communities are represented), conscious of the fact that Milwaukee is too "famous" for the manufacture of one certain product, have determined to offset the impression that prevails Nationally that beer, and beer alone, tells the story of the city's producing plants. Twenty-five manufacturing concerns have united to tell in page display advertisements the true story of Milwaukee's manufacturing prowess. They recite in their advertising that Milwaukee is a city of "thirty-six hundred factories, foundries, and mills, supplying to the people of practically every civilized nation food, raiment, machinery, and tools wherewith to labor."

It is curious to note how studiously the advertising avoids any reference to things to drink. "In your home, your factory, or on your person you probably are using or wearing more than one Milwaukee product." True, very true; but, unfortunately, in speaking of Milwaukee most people think of something else!

Why is it not in order for that same Rotary Club to go a step further and direct its efforts toward securing prohibition for Milwaukee and Wisconsin? There would then be no need to pass over in silence the industry which once was the city's boast.

THE CARPENTERS' CASE

In most economic conflicts labor is ranged on one side and capital on the other. In a case just decided by the United States Supreme Court, however, the conflict was between some labor, united with some capital, on the one side, against some labor, united with some capital, on the other. It was charged by the plaintiffs that unionized New York City carpenters conspired with their employers (1) to keep other carpenters out of jobs, and (2) to boycott and keep out of New York material made by non-union men in other parts of the country; and an injunction against them was asked for from the Federal courts, both on the ground that the parties were citizens in different States and on the ground that the action arose under the Sherman Anti-Trust Law. That Act provides:

The several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this Act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations.

If we understand aright the decision of the majority of the Court, they hold that a private person cannot maintain an injunction under this provision; that the proceedings for an injunction can be maintained only by the Federal Government, through some one of its district attorneys, under the direction of the Attorney-General. Three of the Justices dissent from this opinion, holding that "the grant of jurisdiction was intended to be general, and that the following clause was intended to impose a special duty upon the district attorneys to resort to that jurisdiction whenever, in the discretion of the Attorney-General, a public prosecution should seem to be called for."

The Clayton Act, which provides that "the labor of a human being is not a commodity or article of commerce," and that nothing contained in the anti-trust laws shall be construed to forbid the existence of labor unions, and such unions shall not be held to be illegal combinations, though quoted in behalf of the defendants, is not referred to in the opinion of the Court as delivered by Mr. Justice Holmes; and we are therefore justified in saying that it has nothing to do with the decision of the case.

HELPING THE WAR PAY FOR ITSELF

WAR, the destroyer, is also creator. It makes fruitful lands a waste; it lays villages and towns in ruins, battles down factories, consumes iron and cloth, rubber and leather, grain and meat, and countless other commodities; but it also forces mankind to make waste land fertile, build new industrial centers, double or treble efficiency in manufacturing, and produce with less labor than before a greater quantity of wealth. While impoverishing some men, war enriches others. While draining the Nation of many of its most promising lives, it enables the Nation, through the discipline of those that remain, to increase in wealth.

History furnishes proof of this truth in abundance. The experience of hosts of people now living verifies and confirms this truth. Scourged as few nations in history have been by war, the Republic of the United States entered, through the Civil War, into a period of prodigious prosperity. Defeated and humiliated by Prussia in 1871, France, with astonishing resiliency, rose at once to unprecedented economic strength. And to-day, in the midst of war, it is the testimony of men who know, England is finding her industrial salvation.

Since, then, war is both a producer and a consumer of wealth, the cost of war should legitimately, as far as possible, be paid for out of the wealth that war produces. It is from the reservoirs which war has filled that the Government should, for the most part, draw whatever taxes are necessary to pay the cost of the destruction that war wreaks.

This is the principle that should chiefly determine the lines of war taxation.

This is not only in accordance with abstract reason, but also in accordance with the testimony of the expert. There are reasons, it is true, why war taxation ought to be felt, and must inevitably to some degree be felt, by every citizen. There are reasons, also, why special care should be exercised to avoid the appearance of so-called class taxation. On the whole, however, taxes levied to pay for war ought to come from those accumulations of wealth which have resulted from the war. As Professor Edwin R. A. Seligman, McVickar Professor of Political Economy in Columbia University, has said in an article in the New York "Times": "The excess profits which are due to the war constitute the most obvious and reasonable source of revenue during war times." And Professor Seligman estimates that an excess-profits tax based upon a sound system ought to yield about five hundred million dollars.

Even though the year preceding the war was not favorable to business, the extraordinary increase in profits in many industrial concerns since the war began is almost beyond belief. Of one hundred and four companies that have profited by the war, and whose earnings have been made known by public official reports, there is scarcely one whose earnings this year are not several times as large as those of 1914. Their aggregate increase is over fourfold—namely, from a little more than \$263,000,000 to just under \$1,274,000,000. In other words, the profits of these one hundred and four corporations exceed the profits of the year in which the war began by over a billion dollars. Here are some instances:

	1914.	1916.
Allis-Chalmers Manufacturing Company.....	\$25,068	\$3,165,020
American Brass Company.....	1,450,347	10,991,669
American Locomotive Company.....	2,076,127	10,769,429
Baldwin Locomotive Company.....	350,230	5,982,517
Bethlehem Steel Corporation.....	5,590,020	43,593,968
Du Pont (E. I.) De Nemours & Co.....	4,831,793	82,013,020
New York Air Brake Company.....	641,046	8,214,962
Niles-Bement-Bond Company.....	35,685	5,090,259
United States Steel Corporation.....	23,496,768	271,531,730
General Motors Company.....	7,249,733	28,789,560

These are some of the more striking instances. Others that might be regarded as less striking, but for that very reason exceptional because of the comparative moderation in the excess profits, are such as the following:

	1914.	1916.
Armour & Co.....	\$7,509,908	\$20,100,000
United States Smelting, Refining, and Mining Company..	2,265,641	8,898,464
Kelly-Springfield Tire Company.....	1,118,380	2,020,550
Phelps-Dodge Corporation.....	6,664,839	21,974,263

Somewhat exceptional, but not necessarily the most striking,

are those instances in which deficits have been replaced by large profits, such as :

	1914. Deficits.	1916. Profits.
American Steel Foundries	\$231,481	\$3,418,057
Lackawanna Steel Company	1,652,444	12,218,234
American Writing Paper Company	108,310	2,524,378
Colorado Fuel and Iron Company	905,968	2,201,171
Pierce Oil Corporation.....	101,560	1,393,773

In England, in the first year of the war, as "Commerce and Finance" points out, all concerns making unusual profit out of the war were taxed forty per cent, in the second year sixty per cent, and this year eighty per cent. If this country applied that same method on the basis of England's percentage in the first year of the war, the Government would, on the face of these figures, receive from these one hundred and four corporations alone \$400,000,000 in revenue, and would leave to these corporations over \$600,000,000 more profits than they had three years ago. In other words, these concerns would be growing rich and the Government would be getting a large part of its necessary revenue out of the wealth that war had created.

War, the destroyer, is also creator. Out of the wealth that war produces the cost of war, as far as possible, should be paid. This is the principle that should chiefly determine the lines of war taxation.

CONDITIONS OF PEACE

If any Americans imagine that European peace can be secured by the simple expedient of an agreement to go back to the conditions existing before the war, we commend to them a riddle of our childhood :

"Humpty Dumpty sat on a wall,
Humpty Dumpty had a great fall,
All the king's horses and all the king's men
Could not put Humpty Dumpty together again."

To restore the condition of Europe before the war is as impossible as to mend a broken egg. It is not within the power of statesmen to undo the undoing of the last three years.

Can they recover from their graves the thousands of buried soldiers, restore to the mothers their sons and to the wives their husbands ; can they call from the ocean depths the innocent and unoffending women and children whom the pirates of the sea have consigned to a watery grave ? Houses destroyed they can rebuild. But can they rewrite the books, repaint the pictures, restore the antiquities ? They can build new cathedrals. But can they clothe them with the associations which made the old cathedrals sacred ?

As statesmen cannot bring back the lives which war has sacrificed, neither can they repress the life which war has called into being. Restore Europe to its previous condition ! Can they put the Czar back upon his throne, consign the emancipated prisoners to Siberia, and send the peasant population back to its economic serfdom ? Can they extinguish the fires of liberty which war has enkindled in Russia and turn back the hopes of an awakening manhood to the old condition of dull despair ? Only almost impossible folly on the part of the Russian people could bring about so dire a tragedy. Can statesmen repress the reawakened aspirations of the Polish people and bid them go back again to their old masters and yield to them the old submission ? Can they leave the remnant of the Armenian people in the charge of the massacring Turks in defiance of the horror-stricken conscience of the world ? Can they give back to Austria the Italian peoples whom the singing soldiers of Italy have, at unheard-of sacrifices, almost emancipated from intolerable taskmasters ? Can they wipe off from the minds and hearts of the French and the Belgians the history of the past three years as one wipes off figures from a slate ? Treaties are the product, not the cause, of international good-fellowship. Can any treaty of peace re-establish in the nations their shattered confidence in the pledged word of Germany ?

No ! Neither nations nor individuals can ever retrace the path they have trod. To go back is always impossible.

"The Moving Finger writes, and having writ,
Moves on ; nor all your Piety nor Wit
Shall lure it back to cancel half a Line,
Nor all your Tears wash out a Word of it."

The Europe of 1914 can never be restored. Out of the travail pains of this war a new Europe will be born. It is for the leaders of the people to indicate what that Europe should be. Not all the enkindled aspirations can be satisfied ; not all the hopes of idealists can be fulfilled. But the ideal to be kept steadily in view is, in general terms, interpreted by President Wilson in his address to Russia :

No people must be forced under sovereignty under which it does not wish to live. No territory must change hands, except for the purpose of securing those who inhabit it a fair chance of life and liberty. No indemnities must be insisted on except those that constitute payment for manifest wrongs done. No readjustments of power must be made except such as will tend to secure the future peace of the world and the future welfare and happiness of its peoples.

We congratulate the President on having substituted this ideal for the discarded one of "peace without victory." No peace can be attained without victory. The colossal self-conceit which impelled the German people to bring on this war has already been disturbed ; it must be destroyed. The vision of a re-established Roman Empire ruled by the Teuton must be forever abandoned. The peace of the world can rest on no other foundation than that of the mutual respect of races and nations for each other. In so far as this requires the humiliation of Germany, she must be humiliated. Germany should not be tried, convicted, and punished by the other nations ; but, already convicted by the substantially unanimous verdict of Christendom, she should be compelled to make such restitution as is possible for the heinous wrongs she has committed. The lessons of liberty which the whole civilized world has learned in the terrible school of experience must be applied in the making of the new Europe. What the President has stated in negative terms justice demands in affirmative terms. Territory must change hands if such change is necessary to secure its inhabitants a fair chance of life and liberty. Indemnities must be insisted on as payment for manifest wrongs done. Such readjustments of power must be made as are necessary to secure the future peace of the world and the future welfare and happiness of its peoples.

These principles require a radical readjustment of the map of Europe, because such radical readjustment is indispensable to maintain and protect the inalienable right of the people to life, liberty, and the pursuit of happiness. Partly from an editorial published in The Outlook of December 20, 1916, partly from a notable article by Theodore Roosevelt on "The Peace of Victory for Which We Strive," published in the July "Metropolitan" magazine, we select the following tentative statement of certain changes in detail which are necessary to any just and lasting peace :

Belgium should be restored and amply indemnified.

Alsace and Lorraine should be given back to France, but only with the consent of their inhabitants.

The Italian people now under Austrian control should be united with their emancipated brothers in Italy.

Those Rumanians now under alien masters should, if they wish, be allowed, as far as possible, to become a part of Rumania.

The southern Slavs should, if possible, be united in a greater Serbia.

Democratic Russia should have free access to the sea through an open Dardanelles.

Finland and Poland should be made self-governing, and can probably be safely intrusted to the protection of a democratic Russia.

Some adequate provision should be made for the protection of the Armenians in Turkish Asia from the monstrous misgovernment of the Turk.

The future of the colonies wrested from Germany should be determined by the interests of the colonists, and, as far as possible, in accordance with their desires.

And, as one of the results of the war, Ireland should obtain a large measure of Home Rule, but within and as part of the British Empire.

The great war ought not to cease, and, we believe, will not cease, until fought to such an issue that the statesmen of the civilized world may have a free hand in making such readjustments of European territory and national sovereignties as a regard for justice and a future world peace demands.