roads not only promote trade and communication, but also are an efficient preventive of banditry and revolution. The building of roads in Haiti means something more than the construction of highways for vehicles. It means also the opening up of trails for pack-animals. The number of wheeled vehicles in Haiti is not large.

PRICE-FIXING AND THE SHERMAN ANTI-TRUST LAW

UNDER the principle established by the Sherman Anti-Trust Law that "combinations in restraint of trade" are illegal the United States Supreme Court has recently rendered two decisions of more than passing interest. The first was in what is known as the Hardwood Case. An association of manufacturers of hardwood lumber was organized for the purpose of keeping its members mutually informed as to sales, invoices, production, stocks on hand, price lists, etc. The directors of the association contended that it was a purely mutual benefit organization whose proceedings were open alike to buyer and seller, and that, although privately managed, it was comparable to the bureaus conducted by the Government itself for the benefit of the producers and consumers of wheat and cotton. The Federal Trade Commission issued an order restraining the association from further activities, on the ground that its function was to maintain artificial or monopolistic prices in restraint of trade. The Supreme Court, by a divided bench, has sustained the contention of the Trade Commission.

The minority opinion is notable because it comes from Justices Brandeis, Holmes, and McKenna, who are not generally supposed to consider trusts or combinations as favorable developments of American industry. Their view of the case is that combinations of sellers for information and trade development, provided their activities are open to the public, are not necessarily in unreasonable restraint of trade under the meaning of the Sherman Law, and, in their opinion, the Hardwood Association was not proved to exert unreasonable pressure in restraint of trade.

Popular opinion, we think, will approve the decision of the majority of the Court. Such an association as that of the hardwood manufacturers, even if organized with the best of intentions, could very easily develop into a monopolistic and anti-social combination.

Such information as the association gathered, however, if collected in a way to avoid abuse would be of public value. Possibly the Department of Commerce, in spite of the expense involved, might direct the collection and distribution of such information. The decision, while settling a legal question, has raised a practical one.

We are very doubtful about the equity of the second price-fixing case—that of the Beechnut Packing Company. This company had endeavored to maintain a uniform retail price for its special brands of prepared foods—a well-known brand of bacon is one of them—by a system of contracts, agreements, and supervision under which it refused to sell to wholesalers, jobbers, or retailers who cut or connived at cutting the published retail price. The Supreme Court has decided that this attempt of the Beechnut Company to fix the retail price of its products is illegal. But, as in the Hardwood Case, the decision was not unanimous. Justices Holmes, Brandeis, McKenna, and McReynolds dissented. The last said: "Having the undoubted right to sell to whom it will, why should the respondent be enjoined from writing down the names of dealers regarded as undesirable customers?"

To form a combination to fix the price to consumers of all the hog meat butchered in America would undoubtedly be an anti-social monopoly. To fix the price of a special brand of bacon cannot be a monopoly because the consumer can always turn to many other competing brands if the maker of the special brand charges an unfair or even undesirable price. Moreover, there is a real element of social justice in a uniform price to all purchasers of an article with a special or individual brand. The price of a copy of The Outlook, plainly marked upon it, is fifteen cents. Would it be fair to the mass of purchasers if a favored few could obtain it from price-cutting newsdealers at ten cents a copy?

FACING THE FACTS OF THE BONUS

SECRETARY MELLON has sent to the Chairman of the House Ways and Means Committee a statement of the financial condition of the Treasury, which should provide food for thought for those who are arguing for the immediate granting of a soldiers' bonus. Quite properly the Secretary's letter is not an argument for or against the bonus. It is merely a statement of what the country must face frankly if it passes bonus legislation.

The Secretary points out that Congress, if it votes for a bonus unprovided for by the budget, must provide also for additional taxation, and that the moneys raised by such taxation would have to amount to not less than $850,000,000 in the first two years of the operation of the Bonus Law. The Secretary's estimate is based on the legislation which Congress has been recently considering. The Secretary shows clearly how futile is the hope that the bonus might be paid from either the interest or the principal of the debt owed us by foreign governments. The money owed us by foreign governments is still in the form of demand obligations, and is therefore not in the negotiable form of foreign securities which can be sold to the public. Moreover, the Secretary points out that to sell such obligations, backed by the guaranty of our own Government, would seriously interfere with our own refunding operations and in the long run prove more expensive to the United States than the sale of its own National bonds.

Since August 31, 1919, when the gross debt of the United States reached its peak, there has been a gradual but steady retirement of our National debt. The Treasury has been floating a constantly decreasing total volume of securities, and its borrowings have accordingly not taken new money that would otherwise go into business. The increase in the public debt required by a bonus law might, as the Secretary shows, turn back the gradually swelling tide of business improvement. The ex-soldier by the passage of a bonus law might actually in the end lose more than he would gain.

THE WASHINGTON DISASTER

THERE have been many theater calamities caused by fire and panic—such as the recent inexcusable disaster at New Haven—but that at the Knickerbocker Theater in Washington, which caused the loss of 108 lives and left 140 persons seriously injured, is almost unique in that it was caused, directly or indirectly, by snow. Whether bad construction was the ultimate cause is a question now under investigation by three or four committees. The facts should be searched out relentlessly and widely published, so that other cities may find out whether they have like dangers in their theaters and moving-picture houses.

Even the phenomenal fall of snow which tied up Washington's traffic and made it seem like a Canadian city, but unprepared to handle blizzards as northern cities do, should not have made this terrible tragedy possible. The fault may have been in lack of proper margin for roof weight in the city's building laws; it may have been in improper use of truss construction to avoid the upright posts so undesirable in theaters; or it may have been due to imperfect or corrupt work by building inspectors. Secretary Hoover and Colonel Keller, the Engineer Commissioner for the District, believe the construction was faulty; others say that the

building code allowed for only twenty-five pounds weight of snow or rain per square foot, and that this snowfall amounted to thirty pounds a foot; one engineer suggests that if there were parapets at back and front and the gutters were choked, a heavy body of water would accumulate at the ends. At all events, there was a grinding, crashing collapse of the roof, the large balcony slid out and down on the audience as if on a hinge, and there were scores of crushed, dying, and injured men, women, and children who a few minutes before had been gleeful pleasure-seekers.

THE COAL CRISIS

SECRETARY HOOVER lately declared that "the stage is all set for a strike of the bituminous-coal miners at the end of March." Conditions in the anthracite industry are also critical. Mr. W. P. Helm, Jr., is therefore justified in entitling his article printed elsèwhere in this issue "The Impending Coal Crisis." It is desirable that the public generally, as well as those who are specially interested in the industrial aspects of the matter, should be well informed. Our readers will find Mr. Helm's article admirably clear and will draw from it a knowledge of the recent history of industrial disputes.

One condition that may make a coal crisis this spring is the fact that the contracts between the mine workers' unions and the operating companies must be renewed or changed by April 1. It is true that the extensive West Virginia soft-coal region has no unions, but in the rest of the bituminous-coal fields the United Mine Workers of America represents the miners just as it does in the anthracite regions. The miners declare, not only that they will not accept a reduction of wages, but that they will demand an increase. They base this claim on the alleged fact that the cost of living, to them at least, has not been greatly reduced. On the other hand, the operators say that if wages are increased the cost will have to be added to the price charged consumers and that this will increase the price by at least $1.30 a ton at the mine for hard coal.

Naturally, there is always a period of bargaining on both sides when contracts become renewable. Optimists, however, will remember that since John Mitchell and Theodore Roosevelt, through the Anthracite Coal Commission of 1903, brought about the present system of contracts there has rarely been a strike in the coal industry at the time of the renewal of contracts. There have always been perturbation, bargaining, threats of strikes, and more or less of a crisis, but in the end the two parties to these business contracts—for such they are—have usually come together. The great strike in November, 1919, did not grow out of the question of renewing the contracts, but, as explained in Mr. Helm's article, out of wage problems and claims and counter-claims resulting out of war and post-war conditions. It is true, however, that the award of the Presidential Commission in the spring of 1920, under which most of the coal mining is now done, also expires on April 1 next, and that this is an added danger to the situation. There is no doubt that the situation is more critical now than it has been for a long time. There is also, unfortunately, little indication so far that the workers and owners are taking steps to reach an agreement.

In all discussion of the coal question the interests of the public at large and of the consumer individually must be remembered. This important phase of the matter does not come within the purview of Mr. Helm's present article. It has been brought once more to the front, however, in the United States Senate by Senator Kenyon. His inquiry into the recent turbulent state of affairs in the West Virginia coal fields was the basis of his argument. As to that special matter, he says: "The whole story of this contest is one of disregard for and breaking of laws; of denial of Constitutional rights; of a spirit of suspicion, hate, and retaliation on both sides that does not augur well for industrial peace in that portion of the State."

Senator Kenyon thinks that the remedy for coal war and coal crisis is "the establishment of an industrial court similar to the United States Railroad Labor Board and the formulation of an industrial code by Congress." He has a clear comprehension of the fact that this is not a quarrel between workers and capitalists alone; it is a matter of civic necessity that both consumers of coal for domestic fuel and those who use coal for manufacturing purposes should be treated fairly. Thus we have Senator Kenyon coming in his own way to the support of the views urged by Senator Calder of New York, Senator Frelinghuysen of New Jersey, and others, who have introduced bills for the purpose of inquiry into the methods of mining, transporting, and distributing coal, the publication of those facts, and a certain amount of regulation as regards the seasonal character of the business. Congress has shown little disposition to act on these proposals. If a great coal strike develops in either or both coal industries in the spring, the subject may receive the attention it deserves.

Facts are constantly coming to light tending to show that free competition in the coal business does not exist. For instance, in the hearings which have been held in New Jersey towns by a State commission several retail anthracite dealers have testified that retailers do not really fix the price of the coal they sell; they have to go to an association of dealers to get the price; if they don't, they find that they can't get their coal. Theoretically, the retailer can sell at any price he chooses; practically, he can't, or, if he does, he finds himself "up against" a great combination of coal interests.

In a recent editorial in the New York "Times" it was stated that the miners assert that "coal [bituminous apparently] which is sold at the mines of Central Pennsylvania for $1.75 a ton costs the consumer in Philadelphia $14.75. The figures for anthracite are little better—$4.20 and $15." The "Times" comments, "Not unnaturally the miners ask, 'Who gets the rest of it?'"

These figures seem almost incredible. We believe that they were put forth by Mr. John L. Lewis, the President of the United Mine Workers.

Contrast with this the facts stated by Mr. Helm, that in 1919 the workers in the soft-coal fields received an average of less than $100 a month, and that in some fields of West Virginia in 1921 miners worked on the average only eighty days during the year, some of them, according to the claims of the union, only from fourteen to twenty-six days in the year—this last, to be sure, was in a period of depression following over-competition in those fields. At present it is stated that the amount of coal above ground is larger than it has been for a long time, and that this is true of both anthracite and bituminous coal; if it is, the dispute about contracts and wages that now threatens should not make it difficult for the consumer to get coal, nor should it be allowed to increase prices considerably, if at all.

Back of the whole discussion as to immediate conditions lies the feeling in the minds of coal consumers that this industry is a prime necessity both to the household and to the factory, and that, like the railways, it should therefore be subject to the fullest kind of publicity and, if needed, to such Governmental control as may secure steadiness in the price and the delivery of the product.

The industry should be freed from the charge that the mining, transporting, and distributing of coal are so managed as to make an all-important natural product difficult to obtain and unreasonable in price. If this general impression is false, the way to dispel it is to give the public more light; if it is true, the way to remedy the wrong and