

RAILROAD PROBLEM QUESTION OF STUBBORN FACT, NOT OF THEORY

McAdoo Favors a Five-Year Test Period in Which to Prove Which Is Better, Government Ownership or Private Ownership Wisely Regulated Under Superior Authority of Federal Government.

By W. G. M'ADOO.

The railroad problem is today one of the most, if not the most, important and vital domestic questions facing the American people. Our welfare and prosperity depend on its proper solution. Therefore it is peculiarly necessary that the facts regarding it be understood clearly; that it be settled not along partisan political lines nor in deference to the prejudices of any class; that the American people face the issue boldly and dispose of it as courageously as they have always done with every basic problem they have had to meet.

Let me say immediately that I have no pet theory to advance in discussing the settlement of the railroad question. At the present time I am neither an advocate nor an opponent of government ownership. But while my tendency is against government ownership and in favor of a wisely regulated private ownership under strong federal control, I am frank to say that I am not afraid of government ownership should experience, gained by an adequate test, prove that it is the best solution of the problem. We are living in a new day in America; the world is throwing off old shackles; we must do what seems best in view of ascertained facts regardless of preconceptions. I favor a five-year test period because I believe its results will tell us convincingly which is better—government ownership or private ownership wisely and adequately regulated under the superior authority of the federal government.

Calls Attention to Problem.

The recent suggestion I made to the congress for such a test under peace conditions has at least served to concentrate attention on the problem. Many of the attacks on the plan plainly have been dictated by selfish interests; others just as plainly are due to misunderstanding.

The suggestion most generally advanced by the opposition is that the roads be continued under government operation for the twenty-one months' period after the war, as provided by the present federal control act, and that during that time remedial legislation (there is an utter lack of agreement on the details of such legislation) be enacted to return the roads to their private owners.

There are two reasons why such a course seems to me impossible; first, the roads cannot be operated successfully under the present act for twenty-one months with the prospect of their return to their owners at the end of that time approaching nearer every day; and second, no adequate and fair remedial legislation can be obtained within that time in view of the political situation, and the lack of crystallization of the thought of the nation as to what is the best permanent solution. In discussing these two points, I must be frank, for the American people are entitled to frankness. This is their problem, and they are going to settle it sooner or later whether certain interests want them to or not.

The most serious obstacle to going on with the present system of federal control under existing limitations while the congress tries to work out remedial legislation is that of morale. Some purposely blind people appear to think this an idle argument, put forward to bolster up a plan. They do not know the situation. "No man can serve two masters."

Face Stubborn Fact.

The railroad officials and employees of the United States are only human. If they see the end of federal control rapidly approaching, with their positions and their future the constant subject of partisan political controversy, and with an entirely different system of control, which will vitally affect each individual employee, about to go in effect they naturally cannot work with undivided thought and at the highest point of efficiency; they will be thinking inevitably of the interests of the private owners whose employees they will soon become, and they will pay less and less attention to the government officials operating the roads. Where the interests of the private owners and of the government clash, as they unavoidably will in many cases, employees will hesitate which interest to serve. Confusion and lack of efficiency are bound to result. This is not theory; this is a stubborn fact that must be faced. Already signs of the difficulty are beginning to appear. With other forms of industry this might not be so serious, but the prosperity and even the lives of millions of Americans depend upon the discipline and efficiency of the American railroad machine.

Then, too, were the effort made to continue the present control under existing legislation, the railroads, from a physical standpoint, might stand still or even deteriorate during the twenty-one months' period. Without the co-operation of the railroad corporations, it is difficult under the present law to carry forward improvements or to obtain needed equipment. Already many of the railroads are resisting purchases of necessary equipment for their account. Many of the necessary improvements, such as joint terminals,

while of great benefit to the public, are not relished by some railroad corporations for competitive and therefore selfish reasons. Such improvements would result in great economies, without which it probably would be impossible to reduce passenger or freight rates during the twenty-one months' period. It is impossible to carry forward an adequate program of improvements and to demonstrate those operative economies which will cheapen transportation in a shorter period than five years.

Must Keep Out of Politics.

I would prefer not to mention politics in connection with this problem, because primarily it is an economic question. But we must not be blind. The American people have been discussing the railroads for generations; almost every man in public life has gone on record on some phase of the subject. In 1920 there will be a presidential election. It is idle to suppose that under such conditions it will be possible during this or the next congress to secure calm and deliberate consideration of the ultimate solution of the problem, much less a fair and adequate permanent settlement. This vital question must not be settled in the heat or passion of partisan politics; it must be dealt with in the calm of an inter-presidential election period.

Some of the opponents of the suggested five-year extension of federal control appear to do so on the ground that the operating revenues during the year 1918, will be insufficient to pay the rentals guaranteed to the owners. They forget that most of the wage increases granted to employees took effect January 1, 1918, whereas the increased passenger and freight rates did not go into effect until six months later. If increased freight and passenger rates had gone into effect January 1, 1918, at the same time as the wage increases, there would have been no deficit. They also forget that the government took over the roads when they were completely paralyzed and when the greatest congestion of traffic in their history was upon them. It cost the government millions of dollars to clear up the congestion and get the railroads running again efficiently. They also forget that blizzard followed blizzard, and that it cost much money to overcome their effects. They forget, too, that the price of coal, of steel, and of other supplies was far above normal during the past year. These added expenses would have had to be met had the roads continued under private control, and to pay for them, rentals would have had to be increased. Private operation the past year would have failed utterly and the deficit would have been greater perhaps than under government management.

Economies Can Be Effected.

Under peace conditions, and with a period of five years of federal control assured, it should be possible to maintain existing wages and working conditions and to effect such economies, that reductions in rates, both passenger and freight, ought to follow within a reasonable time. Unquestionably economies can be effected under unified control that cannot be practiced under diversified control. Already the extra charge of one-half cent a mile for riding in sleeping cars, imposed as a war measure, has been removed, and other restrictions enforced by the war are rapidly disappearing.

Unfortunately some of the opposition to the proposed five-year extension is based on dissatisfaction with service given the public during the war. It is argued that conditions have been bad, although this is not true. It can be stated as a fact, which cannot be successfully contradicted, that service has been greatly improved un-

der federal control, in spite of the tremendous demands that the war needs have imposed. Here again it is forgotten apparently that the railroads were placed under government control for the purpose of winning the war against the German autocracy. The first duty was to move troops and war supplies. I have yet to hear a sound criticism of the manner in which that pressing war need was met. Millions of soldiers were moved safely and expeditiously to the seaboard, and from camp to camp. Foodstuffs, munitions and other supplies were rushed to ships at express-train speed. The American railroads during the past year have functioned for the war purpose.

But even in the conduct of ordinary business, the record made by the railroads shines by comparison with the record of private control in previous years when considered from the standpoint of important traffic. During the fall of 1918, there was practically no congestion anywhere and we were still at war. Remember the congestion on the railroads in the crop-moving seasons of 1916 and 1917. Toward the end of 1916 conditions became so bad that the Interstate Commerce commission made an investigation. As a result, Commissioner McChord filed a report in which he said that "mills have shut down, prices have advanced, perishable articles of great value have been destroyed, and hundreds of carloads of food products have been delayed in reaching their natural markets." Also that "long delays in transit have been the rule rather than the exception, and the operations of established industrial activities have been uncertain and difficult."

Became Simple Matter.

The accommodation of passengers in peace times, and the proper attention to the transportation of ordinary freight, become a comparatively simple matter once the larger questions have been disposed of. No practical, just and experienced man can honestly argue that government operation per se has caused bad service. Already needed trains are being restored; crowded conditions are being remedied; rules made necessary by the war are being done away with.

I touch on such questions briefly in order that there may be no beclouding of the issue by the injection of false premises. No disaccommodation will result to the traveling or shipping public by the extension of the period of federal control. The question merely is whether wise and well considered remedial legislation for the return of the roads to private control can be obtained under existing conditions within twenty-one months, and whether, even if that were possible, the roads could be operated successfully, economically and satisfactorily pending the discussion by the congress and the country, and especially with the 1920 presidential campaign approaching.

Neither contingency being possible in my judgment, I see no escape from the conclusion that the period of federal control must be extended for five years, so that an adequate test of unified operation may be secured under peace, not war, conditions, and necessary improvements to terminals and other facilities be made, free from partisan political influences, or the railroads must be restored to private control in the near future to take their chances under the old laws and conditions which governed them prior to the assumption of control by the government.

Salute Brother Officer Even Though Bathing

Boston, Mass.—"Salute your brother officers even though they be in the bathtub," declared Maj. Gen. Clarence R. Edwards in commenting on the failure of officers in the Northeastern department to salute.

"The salute," General Edwards said, "is a manifestation of a man's own self-respect. It is an evidence of discipline."

IMPORTANT NEWS THE WORLD OVER

IMPORTANT HAPPENINGS OF THIS AND OTHER NATIONS FOR SEVEN DAYS GIVEN

THE NEWS OF THE SOUTH

What is Taking Place in The Southland Will Be Found in Brief Paragraphs

European

Maxima Litvinoff, former Bolshevik ambassador at London, has sent a note to President Wilson declaring that the Bolshevik government of Russia is prepared to cease its world propaganda if the allies will agree to enter into peace negotiations with it.

Dr. Karl Liebknecht and Rosa Luxemburg have been killed. Both were in a Berlin hotel. Doctor Liebknecht was arrested and in trying to escape was shot by a soldier. Fraulein Luxemburg was roughly handled, thrown into an automobile and a man jumped on the running board and shot her through the head. It is supposed that her body was thrown into the canal, but it has not been found.

London advices are that there are apprehensions of a general strike in Germany to avenge the death of Karl Liebknecht and Rosa Luxemburg, the Spartacan leaders.

The German Spartacan bunch is apparently losing its grip. The Independent Socialists, who charge the Spartacans with being traitors to the middle classes and laborers, have determined to get rid of them one way or another, typical of the German way of settling things.

The London Central News declares that as a result of the allied discussions in Paris the whole aspect of demobilization has undergone a sudden and vital change, this being shown in the drastic conditions demanded of Germany for a renewal of the armistice. The decision is that Great Britain, in proportion to its military strength, must maintain an army of occupation on the Rhine for many months.

Marshal Foch has presented the following new armistice terms: Retribution upon all Germans for murder and ill-treatment of prisoners; stolen machinery and goods to be given up. German gold amounting to more than one hundred million pounds sterling to be moved from Berlin to a safe place; Germany's 4,000,000 tons of shipping to be handed over to the allies; any U-boat on the stocks to be handed to the allies for disposal; no more submarines to be built.

The London Daily Mail says that the British navy has provided appliances to rob the submarine of its sting, but says that the use of submarines in war is criminal and should not be tolerated.

Domestic

All American ships which were requisitioned by the United States shipping board during the war have been released to their owners with the exception of those actually engaged in army service.

A million dollar oil fire broke out in Philadelphia January 16. One workman jumped into the Delaware river to escape burning oil and was drowned. Nine others were taken to hospitals seriously burned.

Twenty-one individuals and seventeen corporations, composing the membership of the National Association of Automobile Accessory Jobbers were placed on trial in the federal court at New York on an indictment returned nearly a year ago, charging violation of the Sherman anti-trust law.

A joint resolution urging the purchase of Lower California, the Colorado Islands and portions of the state of Sonora, Mexico, contiguous to the Colorado river, has been introduced in the California legislature. The resolution requests congress to urge the president to initiate negotiations with Mexico.

Statutes of "dry" states permitting persons to import or personally bring in limited amounts of intoxicants for their own use were in effect nullified by the so-called "bone dry" amendment enacted by congress, the Supreme court held, in an opinion reversing the federal court for the southern district of West Virginia.

Nine persons were killed and more than a score injured when the Scranton flyer on the Philadelphia and Reading railway crashed into the rear of a Doylestown local train while the latter was standing a quarter of a mile below Fort Washington station, fifteen miles north of Philadelphia.

The director of the federal employment service says that thousand of Italian and Austrian war prisoners are planning to come to the United States as soon as possible.

The distillers' committee recently named to fight national prohibition elected a permanent organization at Chicago, and announced the line on which an attack through the courts will be made.

It is reported through Red Cross circles that seventy-five thousand Austrians are in Italy waiting the first opportunity to come to the United States.

Two aviators of Carruthers Field were killed at Fort Worth, Texas, when their plane dropped into a tall-spin and fell five thousand feet. Two others were seriously injured within a few

Ratification of the federal constitutional prohibition amendment made the United States of America the first great nation to take legislative action to permanently stop the liquor traffic.

Four babies were born January 9 to Mrs. Mark Dukes, wife of a farmer living near Sycamore, Ga. Mrs. Dukes gave birth to triplets in 1915 and twins in 1917. This is nine children, all living, born to Mr. and Mrs. Dukes in four years.

It is announced that the distillers will use one billion dollars to save the liquor business in the United States.

The liquor interests say that in 22 states which have ratified the prohibition amendment there is a state constitutional clause requiring ratification by the people, which has not been done, and that this will be one of the counts on which they will try to save the liquor business.

Nebraska's vote gave the necessary affirmative three-fourth majority of the states to make effective, January 16, 1920, the prohibition amendment to the United States constitution, submitted by congress in December, 1917. Under the terms of the amendment the manufacture, sale and importation of intoxicating liquors must cease one year after ratification, but prohibition will be a fact in every state much earlier because of the war measure forbidding the manufacture and sale of alcoholic beverages after June 30, until the demobilization of the military forces is completed.

A general strike of organized labor designed to paralyze every industry in the country, beginning the 4th of next July, was decided upon by the National Labor Congress as a means of obtaining a new trial for Thomas J. Mooney and Warren Billings if federal intervention and every other means adopted to procure the desired relief fail. The raising of one million dollars was authorized to carry on a campaign of education to liberate labor leaders and to promote the proposed strike.

Switchmen and other employees of railroads not members of one of the "Big Four" brotherhoods are not entitled to pay on a basis of eight hours a day under the provisions of the Adamson act, according to a decision handed down at Memphis, Tenn., by Judge John E. McCall in the United States district court for the western district of Tennessee.

Washington

In taking up Henry Ford's petition contesting the election of Truman H. Newberry to the senate from Michigan the senate election committee decided to hear all evidence in open session. This means that the sessions will be open to the public, and it is hinted that much political history will come to light.

Senator Smith of South Carolina is urging President Wilson to lift the embargo on cotton. He says he has taken this action because he fears the present session of congress will be unable to amend the futures act.

Another appropriation of five hundred million or more will be asked of congress soon by Director General Hines for the railroad administration's revolving fund to be used mainly in extending loans to railroads to cover the extensive program of improvements and extensions for which more than a billion dollars probably will be spent this year.

Federal ownership, operation or regulation of public and semi-public utilities is recommended in the report of the committee on reconstruction of the American Federation of Labor made public in Washington after its approval by the federation's executive council.

The American Federation of Labor is out in a statement favoring government ownership of wharves and docks, federal legislation to prevent child labor and equality in pay for men and women workers.

There are rumors of an impending outbreak of a revolution in Holland.

Nine persons are known to have been killed and about fifty injured by the explosion of a huge tank of molasses on the water front off Commercial street, in Boston. A trolley freight car on the streets was blown from the tracks. Wagons, carts and motor trucks were overturned. A number of horses were killed. The street was strewn with debris, intermixed with molasses, and all traffic was stopped. Scores of ambulances—army, navy, police, hospital and Red Cross—were kept busy for a long while.

Dr. Rodriguez Alves, president-elect of Brazil, died January 16. He had been critically ill for some time. An election will be held at once to determine his successor.

Appropriation of one hundred million dollars for famine relief in Europe outside of Germany has been approved by the house, which passed the administration measure after its enactment had been urged anew by President Wilson, as the only effective means of combating the westward spread of Bolshevism. The bill now goes to the senate, where its early passage is planned. Party lines were effaced in the house debate and vote.

By a vote of 50 to 21 the senate adopted a resolution recommended by a majority of the privileges and elections committee, dismissing disloyal charges against Senator La Follette of Wisconsin. The resolution said the speech upon which the charges were based did not justify any action by the senate.

Demobilization of all combat units in the United States has been ordered. This means that every unit in the army in the United States, with the exception of two regular regiments held for police duty at each camp, has been ordered demobilized.

DISARMAMENT IS A DELICATE PROBLEM

STATESMEN DRAWING TOGETHER ON STRUCTURE TO HAVE SUPPORT OF ALL.

BRITISH LARGELY AFFECTED

Rejects Theory of Super-Sovereignty of an International Police Force; Early Return to Normal State.

Paris.—The plans for a league of nations have been reduced to very definite form. The general indications are that the statesmen of the principal nations are steadily drawing together on a structure which will have the support of all.

It is understood that the general plan which is now most approved in substance by all the parties concerned rejects the theory of the "super-sovereignty of an international police force." It also contemplates the working out, as the development of the league progresses, of the most delicate question of all—disarmament—which particularly affects the British navy. The same principle, it is proposed shall apply to the other nations associated in the war against Germany.

Such a plan will delegate to various commissions and committees detailed problems which shall be reported with recommendations to the league itself. The probability of such a plan being adopted justifies previous forecasts that the principal accomplishments of the peace conference as it now sits in Paris will be agreement on broad general principles, leaving the details to be applied in accord therewith and the making of a preliminary peace which will return the world at the earliest moment possible to its normal status.

KAISER LEGALLY RESPONSIBLE FOR CRIMES OF WORLD WAR

Paris.—Some points in the reports to which Mr. Clemenceau referred, when he said he had consulted two eminent jurists on the penal responsibility of the former German emperor, were made public. The report was drawn up by Ferdinand Larnaude, dean of the Paris law faculty, and Dr. A. G. de Lapradelle, professor of rights of nations in the same faculty.

The object of the inquiry was to investigate from a purely judicial point if the crimes committed by the German government and army involved the penal responsibility of the former German emperor, what tribunal should judge him and whether his extradition could be demanded.

The two French jurists prove that the extradition of the former German ruler cannot be refused, as he is not a political refugee. The report says: "It is anti-judicial to assimilate war with conspiracy. Crimes of war are crimes of public law and international law, not political crimes."

KING GEORGE BEREAVED BY DEATH OF HIS SON.

London.—Prince John, the youngest son of King George, died at Sandringham. He had been ill for some time.

The prince was possessed of exuberant spirits. He was the prime favorite of all classes and the idol of the servants and tenants at Windsor. It is said that he was the favorite brother of Princess Mary who loved to romp with him. The prince was born at Sandringham July 12, 1905.

TURKISH LIBERALS SEND DELEGATES TO PARIS.

Geneva.—The congress of Turkish liberals assembled in this city delegated Chief Pasha to attend the Paris peace conference and given him full power to act. He has been instructed to present the rights and claims of the Turkish people and also to take up the question of food for Turkey. At the opening of the Turkish congress telegrams were dispatched to President Wilson and Premiers Clemenceau, Lloyd George and Orlando.

CZECHO-SLOVAK TROOPS WANTED BY RUSSIANS.

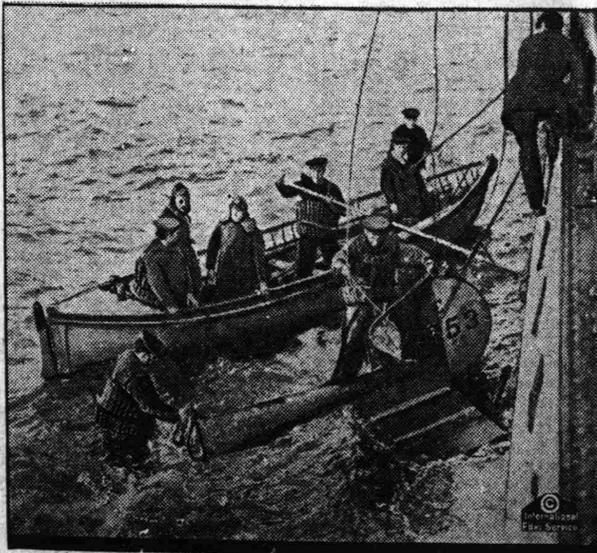
Seattle, Wash.—If help is not forthcoming at once any government set up in Russia will fail, declared Madame Catherine Breshkvscoysky, known as the "Grandmother of the Russian revolution," who arrived here. Czecho-Slovak, rather than allied troops, are wanted in Russia, she declared. "The coming of Czecho-Slovak soldiers would be welcomed by the people as they would welcome the coming of Christ," she said.

ORGANIZATION OF 75,000 EXPRESSMEN IS LAUNCHED

Richmond, Va.—Amalgamation of expressmen and the express division of the Brotherhood of Railway Clerks, the two organizations having a combined membership of more than 75,000, was announced here following a five-day executive session of delegates representing the two organizations.

Richmond will be executive headquarters for the new organization.

RESCUE OF AIRMEN FROM THE SEA



One of the British airplanes taking part in the surrender of the German fleet came to grief and fell into the sea. The aviators were rescued by a destroyer, and the photograph shows the plane being hauled aboard the rescue ship.