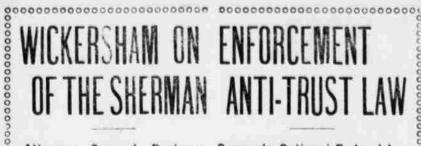
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# Attorney General Declares Suggests Optional Federal In-There is No Occasion For Its Amendment.

Century company.]

ISCONTENT with the Sherman anti-trust law and its enforce ment by this administration is not nearly so widespread as is popularly supposed. It is a reasonable assumption that the majority of the people who are discontented with the governmental control must necessari Sherman law and with its enforcement are the stockholders and others interested in those corporations and combinations charged with its violation. The people who will most benefit from the enforcement of the law are the great army of consumers who have been purchasing the products of these corporations.

The purpose of the law is not to destroy industries. The real purpose of the Sherman law is to compel fair trade, to protect the average business man from injury due to unfair meth ods of competition. It is meant to keep the highways of commerce open to all, big and little, rich and poor, on the same terms. Therein lies its greatest ethical value.

The purpose of the Sherman act is, to prevent undue combination and centralization of power, and therefore in issuing their decrees the courts have merely counciled the combinations against which they have been directed to resolve themselves into their in tegral parts. The property of the stockholders remains. It is as capable of production and of earning dividends. as ever

There is, of course, some genuine discontent with the Sherman law, but suspect most of it arises not so much from any real uncertainty as to its meaning as from a realization of that meaning

# Need of a Check to Monopoly.

I think every thoughtful person will agree that the Sherman act or some equally effective statute was absolute It necessary to check the growing cen tralization in a very few hands of the vast industries of the United States It was the danger of that centralize tion which the leaders saw in 1890, when they framed and enacted the Sherman law Slowly, but irresistible the construction of the statute hbeen widened, until now it is denoustrated to be adequate to effect the great result.

One of the results which the Sher man law will accomplish, which must be beneficial to a large class, is to drave out the middleman where the conditions are such that the middleman i not the natural economic result of the operation of the laws of trade.

It must be remembered that

[From an article by George W. Wick-ersham, attorney general of the United States, in the Century Magazine for February. Copyright, 1912, by the by appropriate regulation.

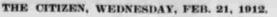
# The Regulation of Prices.

corporation as a Means of

Supplementing It.

The moment the government suffers to exist a combination of producers so great that it fixes or has the power to fix prices at will and the consumer has bonds for public sale. no share in fixing those prices effective ly provide a means of correcting that price fixing by governmental interposition on the same lines that it has used in the case of the price of transportation under the interstate com merce act

The fixing of prices by the govern ment is the logical and inevitable outcome of the policy of recognizing some trusts as good and of attempting to discriminate between good and bad trusts The "good trust" is the combination which, having the power to grush out posed-and the president has stated



organized and carried on in their ow ocalities, although they may engato a certain extent in business intween the states. As a rule, thes small concerns do not appeal general ly to the public for their capital.

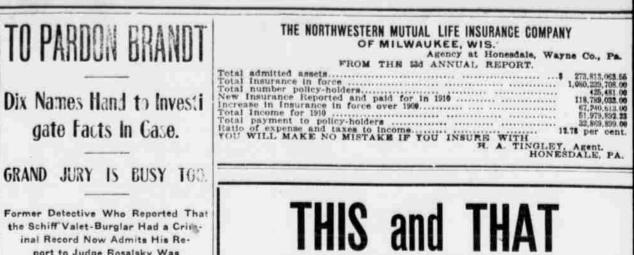
The first result of the provision fosuch federal incorporation would be that those who are actuated by a desire to conform with the law, but wh are sincerely in doubt as to its require ments, would promptly avail them selves of it. Others would rapidly fol. row, because the advantages of subjecting themselves to such federal control and of submitting to such super vision and publicity would include not only a practical insurance against pros ecution under the Sherman law, but a stability of their securities otherwise unattainable. It is possible there would be no need for further legisla tion. On the other hand, congress might find it wise later to make such

incorporation compulsory in the case of all corporations doing an interstate tion that the constitution prohibits : business and offering their stocks or

# Law Effective as It Stands.

There is, in my judgment, no ocension to amend the Sherman law. That law is effective as it stands. To amend it would merely necessitate further in dicial interpretation before it would to give the governor time to receive : today and would go far to destroy the it becomes necessary Justice Gerar good results of twenty years of judicial interpretation. But there is a possible method of amplifying that law by adaltion or supplement, not by amend ment. For example, it has been pro-

Photo by American Press Association



Former Detective Who Reported That the Schiff Valet-Burglar Had a Criminal Record Now Admits His Report to Judge Rosalsky Was Not Based on Facts.

New York, Feb. 15 .- Governor Dix has accepted Justice Gerard's sugges supreme court justice from accepting any other office and has appointed en Judge Richard L. Hand of Essex cours ty as special commissioner to report whether the facts justify a pardon for Folke Engel Brandt, the Schiff burgiat Justice Gerard will delay a decisio: on the writ of habeas corpus in order be as clear and as enforceable as it is report from Judge Hand. If, however, will sustain the writ and remnal Brandt to the custody of the distriattorney for trial on the indictment of burglary in the first degree.

> The grand jury, assisted by District Attorney Whitman, has begun its investigation to determine whether Brandt was the victim of a conspiracy when he was sentenced to thirty years in Clinton prison by Judge Otto A. Rosalsky. In that connection it is known that Judge Rosalsky, Howard S. Gaus, counsel for Mortimer L. Schiff; Mr Schiff himself, Police Inspector Wilfinm W. McLaughlin and a man named Rothschild met at the Criterion club a few days before Brandt was sentenced. The most interesting revelations had to do with the grand jury investigations. It is now known that indictments for conspiracy are expected by District Attorney Whitman as the result of the inquiry as to what improper influences were used in getting Brandt into the peakentiary for a long term A pardon for Brandt-and that is likely to come any day-will, of course, have no effect on the conspiracy investigation. Both the district attorney and the attorney general are deter mined to get all the facts and proceagainst any persons the grand jury

may point out. The testimony of former Detectiv Lieutenant Joseph D. Woolridge be fore the grand jury indicated that the report which he submitted to Inspector McLaughlin and which was taken into consideration by Judge Rosalsky h sentencing Brandt was framed before Wooiridge was assigned by McLaugh lin to find out if Brandt had a crim nal record. Woolridge testified that he got the assignment on April 1, 1907 three days before Brandt was commited to Clinton prison. But the records of the police department contained a letter from Howard S. Gans written to Inspecior McLaughlin on March 30. 1007, In which Mr. Gans outlines the -haracter of the report desired and expresses confidence that he could get a postponement of sentence from Judge ilsky It was Woolridge's testimony that brought out the announcement that in dictments for conspiracy will come out of the grand jury investigations. He was asked to tell all he knew about the report that he read to Judge Rosalsky on April 4, 1907-the report that said that Brandt had been dismissed by six employers for dishonesty before he got a job with Mortimer L. Schiff. Woolridge admitted outright that, so far as he was concerned, the report was untrue.

WHERE one man gets rich through hazarous speculation a hundred whis slow methods of saving, get POOR get POOR. a hundred get RICH. The wise man chooses the better plan and places his money in this bank.

# HONESDALE DIME BANK.

Honesdale, Pa.



Skirts Long Coats and Children's Winter Garments.

SHIRT WAISTS, WRAPPERS DRESSING SACQUES AND **Muslin Underwear** 

To make room for our Spring Stock and cleaning out single lots after Inventory of



this discussion nothing will really sufthe men who have built up the great trusts and whose interests have been all opposition, does not exercise it fully that he sees no objection to it-that the industry but some method of continimmunity from interference, the same thing can exist. power and control which they have enjoyed in the past

## How to Eliminate Uncertainty.

In my opinion, the only effective way to eliminate all genuine uncertainty is through a federal incorporation act containing provisions adequate to meet the situation. Congress has recogniz ed its power by asserting the right to interfere and control and to that extent to regulate the conduct of interstate commerce by declaring what contracts, combinations, monopolies, etc. shall not be entered into. I believe it is time for it to recognize its duty to provide proper vehicles for the can duct of that commerce, so as to make unnecessary the combinations it has prohibited.

co-operation under corporate form to tions. the states. This has necessarily leacontrol over an industry, through comparatively small capital, can be ever clsed with ever widening sweep and virtually without bounds. Congress should provide for the formation of corporations, which, after all, is nothing more than to regulate the rulewhereby mon buy associate themselves in the conduct of interestate commerce with limited liability and with provision for the transfer of their later ests in whole or in part without af fecting the continued existence of the association

Congress should provide for the crea tion of such hodies, should prescribe the rules a der which they may transnet their Insiness and should protethem in the transaction of that business in accordance with those rules. Then and not until then will the problett be effectively solved. Such a law would remove all the scandal of corporate organization, of inflated capitall zation, of deceit of the public throus? lack of information or dissemination of misinformation and would thus en able the business of the country to be conducted on a safe and same basis The federal corporation, being a creature of the federal law, would be en-

## ATTORNEY GENERAL GEORGE W. WICKERSHAM

in the monopolization of great lines of or does not exercise it so as to arouse a general popular dissatisfaction. Un-

In all this discussion I use the word "trust" to mean a combination so great No absolute monopoly has grown up under the Sherman act. There always has been a small percentage of the business which was not acquired by a given combination, but a trust has with in itself that power which will enable it either to become a monopoly or virtually to exercise all the control which would be inherent in a monopoly

### **Optional Federal Incorporation**.

There are those who believe federal incorporation should be made computsory, a prerequisite to the transaction of interstate commerce. I do not be Heve that, because I think that the desired end can be achieved by mak In the past congress has left the ing it optional. It is not easy to work whole law of association-the law of a radical change in existing could But the federal incorporation act should be made so attractive to to the holding corporation whereby the legitimate industry as gradually and perhaps rapidly to attract those engwged in interstate commerce in a large way. All those who wish to combine or consolidate existing businesses which are more or less com petitive, thus giving rise to questions as to the applicability of the Sherman law, would realize that federal incorporation would so greatly facilitate the legitimate conduct of that business that they would not be willing to forego its advantages,

On the other hand, the faithful and rigid enforcement of the Sherman law will soon demonstrate the folly of trying to carry on a business which is not legitimate. New enterprises would be formed under a federal incorporation law, and perhaps after a timefive or ten years possibly-the condi tions might become such that congress could properly prescribe that after a given date no interstate commerce should be carried on by any corporation not organized under the federal law.

that the federal incorporation law should not be applied to small con cerns; that the great machinery of the federal government which it would be tirely subject to federal control, and necessary to establish for such purfrom time to time as tendencies deve'. pose ought not to be directed to little oped which seemed to run counter to concerns that can be more properly skyscraper

law might be supplemented by speci fying some of the specific acts which uing in the future, with greater or less der the Sherman law alone no such have been adjudged by the courts to be embraced in the phrase "undue restraint of interstate trade" in order that merchants may have before them as to amount to a potential monopoly. in codified form a clear enumeration of certain things they may not do and be thus relieved of the so called "glittering generality" of the statute. The difficulty of carrying out this sugges tion will be found when the drafts man comes to write such a statute. I am inclined to think that formu

lating the various kinds of unfair trade and undue restraints of trade which would properly be included in such a statute will add little new to the popular understanding of the meaning of the Sherman act, although, as the pres ident suggests in his message, it may result in shortening the task of the prosecuting officers of the government. But there should certainly be nothing in any additions to the statute to enable a concern whose ingenuity had devised some new and unspectied method of destroying competition to plead immunity from punishment because that particular method of restraint of trade was not made the subject of express prohibition.

# AT 60 WALKS 50 MILES.

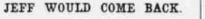
S. E. Cavin's Birthday Tramp Between Philadelphia and Wilmington.

Samuel E. Cavin of Philadelphia, lawyer and member of the Union League club, celebrated his sixtleth birthday by walking to Wilmington and return, a distance of approximately fifty mlles, He left the Union League at 4 o'clock in the morning and one of the twelve young men and reached Wilmington at 11:45 a.m. and arrived at the Union League again at 9:45 at night.

Mr. Cavin started the trip in a blinding snowstorm, and the snow continued all day, making the going very heavy. He declared that he attributes his splendid health to the amount of walking he does and advises all business men to follow his example and My view has always been, however. they will not be troubled with indiges tion, gout or rheumatism.

#### Skyscraper For Seattle.

Seattle, it is reported, is to emulate At New York city and perhaps surpass Chicago by building a forty-two story



## Former Champion May Decide to Fight Johnson Again.

New York, Feb. 15.-In a signed stra ment wired from Los Angeles James .! Jeffries intimates that he may decide to return to the ring for another battle with Jack Johnson. He doesn't say outright that he will fight again, but hints enough to create the belief that he is seriously thinking of it.

Jeff intimates that if he should hap pen to whip Johnson the public would regard it as a fake. Furthermore, he repeats the assertion that before the battle, so called, at Reno somebody put drugs in his teacup. In a word, Jeff appeared to be feeling the pulse of the sporting public with the idea of learning whether it will fall for another championship between the negro and himself.

# OTTO H. KAHN SILENT.

Won't Say Whether He Will Live In England In the Future.

New York, Feb. 15 .- Otto H. Kahn, who has been an active member of the firm of Kuhn, Loeb & Co. since 1897 named by Thomas F. Ryan as future kings of American finance, returned from Europe on the Olympic.

Mr. Kahn and the members of his firm have refused to make any statement concerning the reports that he would give up his American connections and live in England, entering pol ities there.

#### Growth of the Farm

M

the state and street a second
'e notice the jokes about farmers grow
lows
or the farmer himself has grown smart,
na you guess,
nd he grows bigger crops by a very
great deal,
he grows rather wealthy and buys a
'mobile.

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