how the wealth of individuals is already taxed for the good of the public by means of death duties. After ordinary properties have passed through a few hands, as devised at inheritance, the public have in probate and mortuary duties, &c., received back nearly the value of the property; but the corporation does not die, nor is its business wound up and taxed for the public good if one of its many partners dies; it goes on for ever. The evil of holding lands in mortmain, by "the dead hand," had to be legislated strongly against in old days in England, lest incorporated persons should aggregate vast inalienable estates. So in the case of trusts, the power of the nation and of the Legislature is alone able through national taxation to prevent the accumulations and heaping-up of wealth which laws framed for mere single persons seem unable to cope with and impotent to restrain.

PART II.—ANTI-TRUST LEGISLATION IN THE UNITED STATES.

Many strong protests have been made against new anti-trust laws on the ground that those already in existence were sufficient if they had only been enforced without fear or favour by the Executive, and that it does not matter what new laws are passed if they are not to be carried out.

> Why did not the President, when he got after the Beef Trust, instruct the Attorney-General to indict its members? If a band of men should combine to rob every man who passes along the highway and under that agreement rob a thousand men, and a lawyer should bring a suit to enjoin the members of that band from carrying out their contract, honest men would despise that lawyer. Yet when these people combined to put up the price of beef and robbed the customers, violating the Sherman law, the Attorney-General brought suit to dissolve their agreement. He should have indicted the men who formed that conspiracy. The law which authorised the suit to enjoin them authorised their indictment.—(Hon. W. W. KITCHIN, House of Representatives, 6th February, 1903. C.R., 6th February, 1903, p. 1914.)

Of course, the general answer to such a question as "Why were the members of the trust not criminally prosecuted?" would be "Political influence. The power of the wealthy corporations is too great for those who in the near future are to present themselves for election to dare to drive to bay persons of such wealth and social distinction." This is, however, a partly unfair answer. It was alleged that the former Solicitor-General, J. W. Griggs, came into office from the service of the Coal Trust, and that the present Attorney-General, P. C. Knox, entered on his duties fresh from the Carnegie Steel Company; but there can be no doubt that such a reason as fondness for trust methods was not the governing-power which kept the law weak before the influence of huge corporations. There was a sustained attempt made by the United States Government to enforce the Sherman and other anti-trust laws. In six cases the Supreme Court tested the power of the law to restrain the trusts—namely, in the suits against the Knight Company (Sugar Trust); Trans-Missouri Freight Association (railroads); Joint Traffic Association (railroads); Hopkins (Kansas City Live-stock Exchange); Anderson (Traders' Live-stock Exchange of Kansas City); and Addyston Pipe and Steel Company.

Bills in equity were also filed against fourteen railroad companies. In addition to these, suits were brought by the Government in District and Circuit Courts against twenty-five combinations. Six large meat-packing corporations (generally known as the Beef Trust) united in a combination were brought to book for illegal agreements in restraint of trade, as also was a pool of southern railroads which had denied the right of cotton-growers to prescribe the route over which their goods should pass. The Federal Attorney-General also prevented the operation of a proposed merger, the Northern Pacific and Great Northern having joined hands to secure control of the Chicago–Burlington Railroad, so as to form a "holding company" called the "Northern Securities Company." The capitalisation of these united railway systems, including funded debt, was expected to exceed $1,000,000,000, which represented much "watering" of stock. It will thus be seen that some efforts were made by the authorities to vindicate the law, and it becomes necessary to show why further legislation was necessary.

The question of trusts in the United States is made intricate by the difficulties created through State and Federal legislation. In some States, such as New Jersey, the laws are framed with purposeful laxity in order to entice to that State industrial enterprises which could not be nourished under the severer laws of other States. As, by the Constitution, States have such domestic powers Congress cannot interfere with their internal policy, and can only pass an anti-trust law which deals with trusts whose products pass across the limits of the State in which the producing corporation is registered. Therefore the "Act to regulate Commerce" of 1887, and the Sherman anti-trust law of 1890, in effect, only deal with inter-State commerce, and do not regulate the dealings of corporations within the State of registration. Nevertheless, it was generally supposed that the Sherman Act forbade the existence of combinations which monopolised production of articles generally consumed throughout the whole country, and this view was taken by the Law Officers of the Federal Government. When, however, the matter was tested in the case of the Sugar Trust (E. C. Knight Company) the law was found inefficient. The defendant corporation, registered in the State of New Jersey, had acquired the stock of a number of sugar-refining corporations in another State by exchanging shares with vending stockholders of companies. The Government contention was that the object of the trust was to acquire monopoly of sugar-refining, and, as the product was sent to other States and foreign lands, that this was a violation of the law. The control of the trust was over 98 per cent. of the whole product of the United States. The Supreme Court held that the monopoly was in the production or manufacturing of sugar, and that its sale among other States or abroad was only incidental. Therefore the law did not prohibit it, because manufacturing, though preceding commerce, is not a part of it, and the Act only applied to restraint of commerce. It seems to a lay mind rather a hair-splitting decision, but it may be explained by the reasoning that commerce is supposed to relate to intercourse, transmission, communication, and transportation between States, and as such can be under the jurisdiction of the Federal power, while manufacturing, implying a site or place for its operations, must be within a State, and therefore under State control. Incidentally it may be mentioned that the best legal