

ILITIES. These two lines have supported each other, while the North-western has played the part of a mediator. The latter was opposed to the general idea of exclusive territorial rights, but it had a connection with the Omaha system very useful to itself, which made it active in trying to bring about some general arrangement which should be satisfactory to all parties. This, it was supposed, would consist of an understanding that there should be no further extension of lines by any of the contestants into territory claimed by any of the others as exclusively its own, that rates shall be sustained by all alike, and that competing traffic shall be distributed on a basis to be agreed upon.

This was the outcome which was looked for and which until last night seemed likely to be reached. But it suddenly transpired that the work of the conference had come to an end, and that the only apparent result was an agreement for an immediate restoration of rates. There is no concession of exclusive territorial rights and no arrangement for pooling business. But behind this appearance of a barren result of the fight is the undoubted fact that the complication has been used to force the whole North-western system under a single control of which Mr. VANDERBILT is the ruling spirit. The Chicago and North-western and the St. Paul, Minneapolis and Omaha will henceforth be operated as a single line, and will in all probability be actually consolidated and made part of the Vanderbilt system. The Chicago, Milwaukee and St. Paul is left for the time being to its own devices in the matter of putting out branches and making connections in whatever territory it may find convenient or profitable, but there are symptoms that its stock has been changing hands with unusual rapidity and it may become part of the combination. In that case the Rock Island will be left to its own field, with such hold upon business to the north of its main line as it can secure by its own efforts.

The result is that an end is put to competition in this North-western business by a virtual combination of the rival lines under a single control instead of an agreement among them for a division of business and a limitation of local dominion. So far as the public is concerned it makes little difference whether this object is reached by one method or another. There is no doubt that competition, if it can be made healthy and effective and not spasmodic and destructive, is for the interest of the public. It is equally certain that so long as it is subject to no regulation it is likely to prove at any moment hostile to the interests of the railroads. While such is the case, there is no cause for wonder in the efforts of railroad managers to put a stop to it when they begin to feel its disastrous effects. They are working for the promotion of their own interests, and in so doing will disregard all others as long as they are permitted to do so. But the questions which they decide for themselves ought to be settled by a tribunal which would take account of all the interests involved. A general suggestion which springs from these railroad wars is that in any attempt that may hereafter be made to regulate charges it will be found of even greater importance to fix a minimum than a maximum rate.

#### END OF THE RAILROAD WAR.

The contest between the North-western railroads has come to an unexpected termination. It was evident from the first that a community of interests would have to be reached either by a combination to maintain rates and to pool the business on a new basis or by a practically single control of the whole North-western system. The former method of composing differences was rendered unusually difficult by the intrusion of a new element in the shape of what were termed territorial rights. Heretofore railroad companies have constructed lines wherever they have considered it for their interest to do so, and when these have come into competition there has been either a buying up of one by another, a combination of interests based on agreement, or a pooling of the competitive business. But in this case, for the first time, a claim was advanced to exclusive possession of a certain territory. An agreement sustaining such a position would certainly be a most effectual means of checking competition so far and so long as it was operative.

The war which has been waged by these North-western roads had more than a single motive, but the contention on which it was chiefly based was that of the Omaha line, that the Milwaukee and St. Paul should cease its invasion of territory claimed by the former. For a clear understanding of the case it is necessary to make a brief restatement of the situation. The Chicago and North-western and the Chicago, Milwaukee and St. Paul for a long time peaceably divided the business between Chicago and the Wisconsin and Minnesota region. The construction of the Minneapolis and St. Louis Road led to the invasion of Southern Minnesota by the Rock Island. The St. Paul, Minneapolis and Omaha had a connection with Chicago by the North-western, but it occupied a field largely its own transverse to the general direction of that line. It pushed its connections easterly into the timber region of Wisconsin and westerly through Iowa and into the prairies of Nebraska and Kansas, and built up an extensive and profitable lumber business. Latterly the Milwaukee and St. Paul has been pushing its way into competition with the Omaha system and striving for a part of this lumber traffic. It first acquired the Southern Minnesota, and then proceeded to build across Iowa to Sioux City and Council Bluffs. This was followed by the acquisition of connections up the Chippewa and Wisconsin valleys into the pine regions. This invasion of territory claimed by the Omaha as its own was resisted, and at the first opportunity resisted.

The desire of the Omaha to check the aggressive propensities of the St. Paul and put an end to its extension of lines and branches and the desire of the Rock Island to secure a better footing in the North-western combination led to the outbreak of hos-