

CURRENT DECISIONS

BAIL—RIGHT TO RELEASE ON BAIL PENDING—PROCEEDINGS IN ERROR—JUDICIAL DISCRETION.—The defendant was convicted in the United States District Court, with other members of the I. W. W., of conspiracy to violate the Espionage Act. A writ of error having been granted, he sought enlargement on bail pending the hearing of the writ by the Circuit Court of Appeals. *Held*, that admission to bail should be denied. *United States v. St. John* (1918, C. C. A. 7th) 254 Fed. 794.

Before conviction, with a very few exceptions, admission to bail is a matter of right. After conviction, it is not. It requires a rule of court to allow bail. See Rule 34 of the Circuit Court of Appeals. Its grant is a matter of judicial discretion, usually exercised in favor of the defendant in the case of minor offenses, but generally denied when the public interests make it seem advisable. Considerations affecting the determination are the severity of the punishment, the nature of the offense, the health of the prisoner, the character of the evidence, the good faith of the assignments of error, the conduct of the accused, and the public welfare.

BILLS AND NOTES—LIABILITY OF AGENT AS MAKER—SCRIPTIO PERSONAE.—The defendants signed a note: "Trustees of the Second Christian Church," and immediately thereunder: "X, Y, Chairman, Z." The loan for which the note was given was understood to be made to the church; the trustees had expressly told the plaintiff's agent that they could not take on individual liability, and the agent drew the note in this form with that understanding. On default, the plaintiff payee sued the church alone, and recovered judgment, but failed to realize the amount of the note. She then sued the plaintiffs, as being personally liable on the note. *Held*, that judgment must be directed for the plaintiff. *Weaver, J., dissenting. Schuling v. Ervin* (1918, Iowa) 169 N. W. 686.

The decision is as regrettable as it is amazing. It has been thought that the N. I. L. sec. 20 (sec. 3060—a20, Iowa Code Supp. 1913) which was considered by the court, had settled this question in accordance with business understanding and that of the plaintiff in this case, when she sued the church. (1918) 27 *YALE LAW JOURNAL*, 686. The court, however, ignoring recent Iowa decisions to the contrary, concluded by main strength that (1) the face of the note did not show what principal, if any, the trustees were signing for; (2) that the plaintiff's agent was also the agent of the trustees, so that knowledge of communications made to him could not be imputed to her; and (3) that the trustees might be held, if not as principals, then as sureties for the principal who did not appear on the note's face to be such. It would be hard to find a better commentary on the decision than the sound and forceful dissenting opinion of *Weaver, J.*

BILLS QUIA TIMET—CANCELLATION—INSTRUMENT VOID ON ITS FACE.—An assignment of wages to become due "from present and future employers" had ceased to have any legal effect for two reasons: (1) that the state law refused to recognize the validity of an assignment of future wages except so far as earned under an employment existing at the time of the assignment, whereas the assignor in the principal case had terminated such employment; and (2) that the state statutes limited such to the wages for the two years next ensuing, whereas in this case more than two years had elapsed since the assignment—as

the date showed. The assignor asked equitable relief by way of cancellation and an injunction to prevent the assignee from seeking to enforce the assignment. *Held*, that the plaintiff was entitled to cancellation and an injunction. *Raulines v. Levi* (1919, Mass.) 121 N. E. 500.

The decision goes on the ground that the action of the defendant in serving notice of the void assignment upon new employers was "oppressive." The result reached is a sensible one, but difficult to reconcile with the large number of decisions in which courts have refused equitable relief on the ground that the instrument whose cancellation is asked is void on its face. For an intelligent discussion of the problem see *Day Co. v. State* (1887) 68 Tex. 527, 64 S. W. 865.

CARRIERS—LIABILITY—FRAUDULENT PROCUREMENT OF CONFISCATION.—The defendant carrier accepted live poultry from the plaintiff for interstate shipment and issued the customary bill of lading, which provided that the carrier should not be liable for any loss or damage to the property "caused by the authority of the law." The car containing the poultry was caught in a flood which overflowed the rails and made access to it difficult. Martial law being proclaimed in the flooded district, the carrier, by representations either false or not known to be true, induced the military authorities to "confiscate" the poultry. In an action by the plaintiff, based on the bill of lading, the defendant claimed that it was prevented from performing its contract "by the authority of the law." *Held*, that the defendant was liable. *Chicago & E. Ill. R. R. v. Collins Produce Co.* (March 3, 1919) U. S. Sup. Ct., Oct. Term, 1918, No. 138.

The fiduciary character of the common carrier's duty was recognized early in the common law, and the carrier, in consequence, was made an insurer. This was felt to be necessary in order to prevent dishonesty and collusion between the carrier or its servants and others, to the injury of the shipper. *Coggs v. Bernard* (1704, K. B.) 2 Ld. Raym. 909; *Riley v. Horne* (1828, Eng. C. P.) 5 Bing. 217. The same principle has been almost universally adhered to in the United States and the greatest care and good faith required of the common carrier in both its contractual duties and its common-law liabilities. *Railroad Co. v. Lockwood* (1873, U. S.) 17 Wall. 357, 21 L. ed. 627; *Bank of Kentucky v. Adams Express Co.* (1876) 93 U. S. 174, 23 L. ed. 872. This requirement of good faith has been so rigid that a carrier, which by fraud or connivance permitted a judgment to be rendered against it for property in its charge, was not allowed to avail itself of the judgment in bar to a suit by the shipper. *American Express Co. v. Mullins* (1909) 212 U. S. 311, 29 Sup. Ct. 381. The instant case affords another illustration. A discussion of the liability of common carriers under the Act to Regulate Commerce may be found in (1916) 25 YALE LAW JOURNAL, 341.

CONTRACTS—IMPOSSIBILITY OF PERFORMANCE—INTERFERENCE WITH DELIVERY OF GOODS CAUSED BY WAR.—Early in 1914 the defendants contracted to deliver certain Finland birch timber at Hull, England. Before the time for delivery expired the war broke out and made it impossible to ship the timber from a Finnish port through the Baltic. This was the usual mode of shipment and other modes were much more expensive. This fact was unknown to the plaintiff, nor did he know that Finnish birch was not kept in stock in England. *Held*, that the continued possibility of delivering by way of the Baltic was not an implicit condition of the contract and that the plaintiff was entitled to damages for non-delivery. *Blackburn Bobbin Co. v. Allen* (1918, C. A.) 119 L. T. Rep. 215.

It should be observed that performance in this case did not become impossible, for shipment could have been made to the North Sea by rail through Sweden. Since the plaintiff did not know what was the normal mode of shipping he could not be held to have consciously contracted with its continued possibility as a

basis. Thus such a case as *Clarksville Land Co. v. Harriman* (1895) 68 N. H. 374, 44 Atl. 527, can be distinguished. The court properly applies the principles laid down in *Tamplin S. S. Co. v. Anglo-Mexican Co.* (H. L.) [1916] 2 A. C. 397, and *Horlock v. Beal* (H. L.) [1916] 1 A. C. 486. See also (1918) 27 YALE LAW JOURNAL, 953; (1919) 28 *ibid.* 399; and see note below.

CONTRACTS—IMPOSSIBILITY OF PERFORMANCE—WAR CLAUSE.—After war had broken out between England and Germany, the defendants in the United States contracted to supply the plaintiffs with chemicals imported from Germany. The contract released the sellers from liability for losses, damages or delay due to "war." On March 15, 1915, a British Order in Council prohibited all exports from Germany. The plaintiff sued for damages for failure to make further deliveries. *Held*, that the plaintiff could not recover. *Roessler & Hasslacher Chemical Co. v. Standard Silk Dyeing Co.* (1918, C. C. A. 2d) 254 Fed. 777.

The lower court had held that war having been in existence when the contract was made, the exception as to "war" could have referred only to a future war in which the United States should be involved. The Circuit Court of Appeals, however, held that the contract having been legal and possible of performance when made, notwithstanding the war then in existence, the exception must have referred to a change of conditions in that war or any war rendering performance impossible. This interpretation commends itself as reasonable. See also note above.

DAMAGES—MEDICAL SERVICES—CHIROPRACTOR.—In an action against the city for personal injuries the plaintiff included, as an item of damage, money which she had paid to a chiropractor for services rendered. The chiropractor was not authorized to practice medicine within the state. *Held*, that the plaintiff could recover as part of her damages "the reasonable value paid in good faith for such services." *Miller v. City of Eldon* (1919, Iowa) 170 N. W. 377.

A person not authorized to practice medicine cannot recover in a suit for medical services. *Puckett v. Alexander* (1889) 102 N. C. 95, 8 S. E. 767; *Lynch v. Kathman* (1917) 180 Iowa, 607, 163 N. W. 408. But if payment has been made for such services, there is authority in support of the principal case. *Allen v. Durham Co.* (1907) 144 N. C. 288, 56 S. E. 942. Christian Science "healers" have been held to be within the terms of statutes requiring all persons practicing medicine to be licensed. *State v. Buswell* (1894) 40 Neb. 158, 58 N. W. 728; *Smith v. People* (1911) 51 Colo. 270, 117 Pac. 612. But they have been held exempted by a clause providing that the statute should not affect "those who practice the religious tenets of any church." *People v. Cole* (1916) 219 N. Y. 98, 113 N. E. 790. There seems to be no good reason why the doctrine of the principal case should not be extended to them. But the question is an interesting one as to how far an unorthodox form of healing must gain ground before it will be so recognized.

DECLARATORY JUDGMENTS—SOVEREIGN AS DEFENDANT.—A contract was made between the plaintiff and the Secretary of State for War acting on behalf of the Crown. This action was brought against the Secretary of State for War asking for a declaration as to the meaning and legal effect of the contract. *Held*, that the action was not maintainable. *Hosier Bros. v. Earl of Derby* (1918, C. A.) 119 L. T. Rep. 351.

The court said: "An action can no more be successfully brought against a servant of the Crown for a declaration as to what a contract means than it can be brought for a substantive remedy on the contract itself." As to declaratory judgments generally, see the article by Professor Borchard (1918) 28 YALE LAW JOURNAL, 1, 105.

STATUTES—CONSTRUCTION—OMISSION OF “NOT” DEFEATING PURPOSE OF STATUTE.—The defendant was accused of violating a statute which in effect prescribed that the beam from automobile lights must be such as to shine in the eyes of drivers of vehicles meeting the automobile. It was shown that by a clerical error the word “not” had been omitted from the statute as enacted, reversing the statute’s effect. *Held*, that the defendant must be discharged, as, by reason of the error, there had been a failure of legislation. *State v. Claiborne* (1919, Iowa) 170 N. W. 417.

The court thought it proper to take into consideration the evil sought to be remedied, and was satisfied that the intent of the legislature was not to pass the act as it read, but was not disposed to read into the statute a word which would give it the opposite effect. A somewhat parallel situation is sometimes found in the interpretation of wills.

TAXATION—MUNICIPAL BONDS—CONSTRUCTION OF STATUTE.—The Pol. Code of South Dakota, sec. 2053, provides that “all property . . . within the state . . . is subject to taxation.” The plaintiff, being taxed on bonds of a municipality in South Dakota, brought suit against the county treasurer. *Held*, that such bonds do not come within the term “all property” as used in the statute. *National Surety Co. v. Starkey* (1919, S. D.) 170 N. W. 582.

A state may tax all property within its jurisdiction, but for obvious reasons public property is usually exempt, either by statute or judicial interpretation. 37 Cyc. 865. State or municipal bonds are not state property; but a tax on them is, in the last analysis, a tax on the borrowing power, and will interfere with its exercise. Unless a statute expressly makes such bonds taxable, a court is not justified in including them, as the legislature should not be presumed to intend to interfere with one governmental function when exercising another. *Penick v. Foster* (1907) 129 Ga. 217, 58 S. E. 773. The weight of authority supports the principal case, which is undoubtedly sound. *State ex rel. La. Imp. Co. v. Board of Assessors* (1902) 111 La. 982, 36 So. 91. The few cases opposed seem to be based on a too strict interpretation of the phrase “all property.” See *State Natl. Bank v. Memphis* (1906) 116 Tenn. 641, 94 S. W. 606, 7 L. R. A. (N. S.) 663, and note; *Champaign County Bank v. Smith* (1857) 7 Ohio St. 42.