
The Tide of Economic Thought

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The Tide of Economic Thought.

BY PRESIDENT FRANCIS A. WALKER, LL. D.

Two years ago, addressing the Association at its Philadelphia meeting, I said, having in view the great increase of interest in economic discussion: "A bay, one-half whose spaces lie bare and baking in the sun, does not more differ from that bay when the sea comes rolling in, filling it full of boisterous life and beating with angry roar upon the rocks which close it round, than does the economic world of a few years ago differ from that which we look out upon to-day."

If this image then seemed to any one extravagant, it surely will not now. It is far too tame to represent the facts of the present time. Not only has the rising tide of economic thought filled every bay and creek and arm along the shore; but the very fountains of the great deep appear to have been broken up; on every side the "dry land" of a past generation has been invaded by a rush of angry waters. The bounds of tradition, the barriers of authority have, for the time at least, been swept away. Everything once deemed settled in economic theory is audaciously challenged; the most venerable and well approved of our institutions are rudely assailed; ideas to which, but a few years ago, assent

was given so general as to be practically unanimous, are now denounced and scoffed at upon public platforms and in the drawing rooms of fashion. The ownership of land, individual enterprise in business, even the system of private property, are alike threatened.

Doubtless those who were caught nearest the shore by this tremendous inundation, and who now, from roofs and tree-tops, view with dismay the still rising floods, have in a measure themselves to thank for their present uncomfortable position. They have scoffed at those who pointed to palpable signs of the times; they have set their professorial or editorial chairs down at the water's edge and defied the ocean's power; they have mistaken for nature's impassible barriers what were merely the beaches and terraces of a certain stage of civilization; and have expounded local and temporary conditions as eternal laws of human society.

But even those of us who, a longer or a shorter time ago, thought we discerned the coming of a storm and removed ourselves and our effects from the lower ground of an uncompromising individualism to positions somewhat more elevated and seemingly secure, are scarcely less involved in the general catastrophe. The floods are already all around us and are fast climbing to our seats. As we look out upon the waste of waters, we wonder, not altogether without anxiety, when the wind will begin to blow over the face of this high-running, furiously-heaving sea, to bring peace and a calm, to restore ocean to his place and make the dry land appear once more, however much or however little its configuration may be found to have been permanently altered by

the workings of this economic deluge. How, indeed, shall that be? As it was in the good old days? or shall we have to recognize the fact that great inland seas have been created by the overflow; that deep channels have been cut through the land, and that vast outlying masses of the once solid continent of *laissez faire* have become islands, around which the waters will continually roar? For one I have little doubt that in due time, when these angry floods subside, the green land will emerge fairer and richer for the inundation, but not greatly altered in aspect or in shape.

To leave this image, which has perhaps already been carried over far, one may say that the past two years in America have witnessed such an access of interest in economic matters as our country has never before known; and that a spirit, not merely of contempt for authority, but of dissatisfaction with the existing order, and even of angry impatience at the material conditions of the universe, has been widely manifested, which has made it very hard work, indeed, to be an economist, in these days. On the one hand, old Utopias have been re-discovered, re-explored, re-surveyed and re-opened to settlement by an afflicted humanity; on the other, brand new devices for doing away with poverty, sorrow, and even sin, in human life have been brought out in rapid succession, by a host of philanthropic inventors. In the growing passion for social and industrial novelties, nothing has seemed unreasonable; persons of the highest degree of intelligence have, for the time, lost all measure of difficulty, all sense of resistance, all memory of experience. The practical working motives which have carried man-

kind thus far on the way from savagery to civilization are all at once to be replaced by angelic impulses and celestial aims. The inveterate evils which have afflicted our race through all the ages are to be cured by proclamation. Armies are to be disbanded upon the security of universal brotherhood; the earth is to open and swallow up all its jails, poorhouses and forts, in an instant, out of sight.

To many the extraordinary access of pseudo-socialism in America, which we know as Nationalism, within the past two years, has appeared most threatening, even appalling. They think they see society at the very verge of dissolution, when schemes so vague and wild receive the public adhesion of large numbers of respectable and responsible citizens. Social and industrial chaos seems to be impending, when all the results of experience are thus contemned, and all the fruits of past exertions are thrown away as worthless or mischievous.

I may be unduly optimistic; but to me the outlook is far less gloomy. I see in the ranks of these passionate reformers few or no perverts from a sound political economy; but only a host of as yet rather disorderly and undisciplined converts. The great majority of those who are now so ready to reform mankind, all at once, by measures affecting industrial organization and industrial activity, a few years ago gave little thought to industrial matters, perhaps deemed political economy a subject hardly worthy of their attention. These benevolent clergymen, these ecstatic ladies, these prophets and disciples of an industrial millenium, never belonged to the economic army; and if their zeal at first greatly outruns

discretion, we may, I think, confidently look upon them as not unpromising recruits to that army, and fairly hope that in time they will exchange their ghost-dances outside the camp for the soberer but more useful goose-step of the economic drill sergeant.

My moral is that it is an immense gain to have the attention of the whole community so strongly drawn, as it has been, to the supreme importance of industrial conditions. Political economy, especially in the United States, has suffered inexpressibly from public indifference. The few who have professionally cultivated it have had things all their own way simply because no one cared enough about it to contest or even to criticise the conclusions they might reach. The economists have been as distinctly separated from the mass of the people as have been the astronomers. I will not say that the economists have rather affected to be the priests of a mystery; but certainly I can appeal to all who hear me, whether a great deal has not been said as if an intelligent business man should not presume to have an opinion as against the men of the chair; and, if not an intelligent man of business, much less a common laboring man.

The revolution now in progress is making every man and every woman an economist. The vital importance of industrial relations is fast coming to be seen and felt, as never before. The whole people are bending themselves to study these subjects. No class of questions now take precedence, in the public thought, of economic questions. The economists who are thus being made are, it must be admitted, just now pretty poor ones. We must expect a great deal of crude thinking, a vast preponderance of feeling over thinking, and an angry impatience with

conditions which will forever continue to assert themselves in human life. But it is a great thing to have the whole nation at school in political economy; and we are no wise teachers, no natural leaders, if we can not succeed in getting a hearing for all we have to say which may be worth listening to. We may have to put off some of the airs which we have thought rather becoming to us; we may have to get out of our chairs, and teach as we walk among our fellow men, like the philosophers of the old Academy; we may have to translate our lectures into more popular form and modern phrase. But if we have really anything to say, we can get a hearing for it; and we ought to rejoice, with all our hearts, that the people, the whole people, are coming, for the first time, to take a deep, earnest, passionate interest in the subjects to which we have devoted our lives.

The reasons why the vaguest and wildest schemes for human regeneration, upon an economic basis, so readily find a hearing and a wide popular acceptance, are, besides the primary fact already noted, namely, that most of the teachers and disciples are new to this kind of thinking, three in number:

First. The economists themselves are largely responsible for this state of things, on account of the arbitrary and unreal character of their assumptions and the haughty and contemptuous spirit in which they have too often chosen to deliver their precepts. Especially are our American economists "sinners above the rest" in these respects. Long after even the English economists, who have been lordly enough, heaven knows! had importantly modified the traditional premises of the science, to meet the facts of human nature, and had, with a wider outlook,

admitted many extensive qualifications of the doctrine of *laissez faire*, the professors of political economy in the leading American colleges continued to write about the economic man of Ricardo and James Mill as if he was worth all the real men who ever lived; and the editors of the journals and reviews which especially affected to exercise authority in economics, greeted with contumely every suggestion of an exception to the rule of individualism, from whatever source proceeding, for whatever reason proposed. Even the complete establishment of such an exception in the policy of half a dozen nations, and its triumphant vindication in practical working, to the satisfaction of all publicists, all men of affairs, and even of those who had once been selfishly interested to oppose it, constituted no reason why these high priests of economic orthodoxy should accept it.

There is small occasion for wonder that, with such a record for opposing wholesome measures of reform on the grounds of *laissez faire*, alone, our economists, as a body, should be able to do little in stemming the tide of socialism which has set in so strongly of late.

Secondly. The great positive reason for the readiness with which vast and vague schemes, upon an economic basis, for the regeneration of mankind, wholesale, have been received and adopted by large numbers of our countrymen, is found in a spirit of optimism which is directly due to the remarkable advances made in the human condition during the generation now upon the stage. These advances have been in part the effect of invention and discovery, working wonders for man; in part they have

been the proper effect of the social and industrial ambitions and aspirations which have been enkindled by the growth of popular education and the extension of political franchises.

Since so much has been done, in so short a time, for the amelioration of the human condition, why cannot more, and still more, be done? Why cannot anything be done? Why not everything? When people are in such a mood, any scheme that has a promising face meets a ready acceptance. The mind of the reader or hearer runs forward to meet it. Scepticism and incredulity vanish. The more vast and vague it is, the better is a project of social and industrial reform suited to become the subject of a popular craze.

Another reason has occurred to me as in part explaining the very remarkable spread of the ideas known as Nationalist. This may or may not commend itself to your minds. It is that the phenomenon is largely the result of a reaction from the nervous strain and the continuous excitement under which the cultivated classes in a modern community, and preeminently in America, where the pace is so tremendous, are placed and kept by the multiplication of social duties and offices of a more or less benevolent character, on the one hand, and, on the other, by the increase in personal wants and necessities, highly artificial in their origin, yet not the less imperative in their demands. The men and the women of this generation who have passed the age of youthful buoyancy, hopefulness and elasticity, are tired out and worn down with the struggle. The next generation will take these things more easily; will invent economies of time and strength; they will even be

born with a certain adaptation to existing conditions. Possibly, let us say probably, finding that they are carrying lightly the burdens which are breaking our backs, they will set themselves to still further multiply occasions and social duties and material necessities, to use up their own strength and time, in turn, as completely as we have done. But the last is a question of the future. To-day, having been born into a world comparatively simple in its organization and its requirements, we find ourselves in middle life or old age harrassed, fatigued, and at times despondent, under the pressure of cares, obligations, engagements and labors innumerable, almost intolerable. Who does not at times feel thus? I confess, for myself, that there are moments when it seems that I would gladly resign all that I am and have for the poor privilege of standing, a barefoot pauper, without a name by which I could be called or a friend in the world, knocking at the door of an almshouse, where I might simply lie down and be let alone.

To persons in such a mood, the repose, the relief from care and painstaking, the release from domestic drudgery, the social and industrial irresponsibility which Mr. Bellamy depicts must needs possess a great attractiveness. In a sterner mood, when we have recovered from our momentary depression, having perhaps snatched a little rest and turned ourselves again to take up our work in life, we scout the very notion of a peace that is to be gained by surrender, of a sybaritic existence, amid ease and comfort and perpetual music, which would leave our powers "unexercised and unbreathed," and would reduce our descendants, in no distant generation, to the moral state of the Polynesian. We know that it is of the

very essence of social progress that as fast as we are released by arts, inventions and improved organization from cares and labors which have worn and wearied us, we should create for ourselves new wants which shall take up all the time and strength thus set free; and that it is not rest man needs, but work.

Yet still again the moment of depression will come to the stoutest and the most fortunate. Shall we, then, wonder that many, less happy or less strong, should succumb in the struggle and be ready to surrender individuality, with its anxieties and burdens, but with also its glory and its power, for an all-absorbing Nationalism, which promises, however futilely and foolishly, to make life forevermore easy and pleasant?

It is in a somewhat different tone that one would speak of the apparent growth of the so-called Single Tax party in the United States. Here is no economic absurdity. The normal workings of the principle of self-interest in dealing with the land are observed and respected by Mr. George, at least in his later utterances. Nor is there anything in his central proposition which can properly be called impracticable. The questions which would arise in the legislature or in the administrative bureau, regarding details, adjustments, conflicts, exemptions, interpretations, are not more serious than those which at the beginning beset many a system that has in the result vindicated its efficiency and utility. Again, there is nothing inequitable in the suggested Single Tax, so-called, so far as relates to future increments of value. Conceding compensation to existing owners, the proposition is one which an honest man can make and an honest man can entertain.

In the strict sense, the title Mr. George and his party have adopted, is a misnomer. The assumption by the State, for its own uses, of the economic rent of land, does really not constitute a tax at all. It is merely the exercise of one of the lucrative prerogatives of the State. Properly speaking, as I esteem it, (1) something of the idea of contribution according to ability to pay; (2) something of the notion of universality of exaction; (3) something of an admission that the State is taking for its uses what otherwise the individual would have a perfect right to enjoy; (4) something of an expectation that the burden will, in the end, be spread, more or less imperfectly, over the whole community, on whomsoever it in the first instance falls, underlie every real tax.

But in the case of "the confiscation of rent by taxation," to use Mr. George's expression, the right of the State to make the exaction is not put at all upon the ground of ability to contribute. Indeed, in his controversy with Dr. Seligman, before the Social Science Association at Saratoga, last summer, Mr. George argued strongly against the notion of contribution according to ability.

Again, in the Single Tax there is no pretence of universality of exaction. The subject taken for imposition is single, specific; and no citizen is assessed except as he comes into relation to this. Again, in the Single Tax there is entirely lacking anything like an admission that the State is taking for its necessary purposes that which otherwise the individual would have a perfect right to enjoy. To the contrary of this, it is asserted that the individual has no right whatever to "the unearned increment" of the soil of which he may be in possession; that,

altogether irrespective of the needs of the State, his enjoyment of that sum of wealth would constitute an injustice and a grievance; and that right will only be done, when government, acting for the whole community, whose exertion, and sacrifices have created that sum of wealth, shall take it entire, if not for public uses, then for redistribution.

Finally, the idea of diffusion, or repercussion, is entirely wanting from the Single Tax. By the very nature of the case, the occupier of the soil can recoup himself at the expense of the general community for no share whatsoever of that which the State thus takes. Inasmuch as economic rent forms no part of the price of agricultural produce or of manufactured products; inasmuch as it is obtained by no deduction from wages, by no sacrifice of normal interest, but represents wholly and solely a surplus in the value of the product over the cost of production upon the more fortunate lands, this imposition cannot be carried over, by the processes of exchange, to rest upon the consumer, upon the laborer, or upon the capitalist. It remains where it first falls, upon the owner of the land.

For these reasons I must regard the title, Single Tax, as misleading. Were all lands to be assessed for the benefit of the Treasury, that would constitute a tax proper. The element of universality would be present. The State would assume the attitude of taking for its purposes that which the individual would otherwise have an unquestionable right to enjoy. That taking would become a true tax, which would tend, and tend strongly, towards diffusion and repercussion, since a tax on all lands would increase the cost of all production, and would raise the price of

all produce; and thus, in the end, the members of the community would contribute, more or less perfectly, according to their respective abilities.

All this is to define the Single Tax proposition, and to set forth its true relations; not to discuss its economic and political expediency, for which time would be wanting here. While the familiar arguments on this subject, pro and con, have been widely rehearsed of late, I am not aware that anything of consequence has been added thereto. Ten persons probably now know what the Single Tax would be, and have their opinions concerning it, where one knew or cared anything about it a few years ago. But the extension of the field of discussion has not altered the attitude of the disputants. The advocates of the measure still assert, in the same terms as of old, that the unearned increment of land belongs to the State, and that it should be used to diminish, or wholly to do away with, the resort to other forms of contribution. The opponents of the measure still assert their conviction that the community, as a whole, is richer, and not poorer, by reason of the private ownership of land; and that the attempt to bring all of economic rent into the public treasury would generate industrial evils and would induce political jobbery and fraud to an appalling extent,

Meanwhile, if I may venture an opinion regarding a matter of which no one man can know much, I should say that the economists have rather been inclining to the view that somewhat more of economic rent than is now taken by the State might be brought into the treasury, without impairing the virtue there is in the private ownership of land, and without directly violating the principle of compensation to ex-

isting owners; while the practical politicians, on the other hand, the more they discuss the project, are more and more impressed with the hopelessness of bringing such a system into operation, on account of the opposition of the farmer class and the owners of small village and town building-lots to any increase of direct taxes.

An economic phenomenon of the period since we last met, and, indeed, of the past few months or even weeks, has been the extraordinary "weakening" on the part of a great many persons, merchants, bankers and editors, in the eastern portion of the United States, who have hitherto stood very stiffly up against every measure that sought to increase the money-supply. How permanent this change of feeling or of thinking will prove, it would be idle to predict. Whether the change has been, in origin, chiefly disinterested, having regard to the common interest, or chiefly selfish, coming from fear of personal losses in the general downfall of stocks and securities, I would not presume to express an opinion, if I entertained one. How far it has been the result of influences long and gradually operating in the past; how far due to shock and surprise from the catastrophe of October and November, can only be conjectured. But from any point of view, the phenomenon is a striking one. Men who passed through the struggles over the redemption of the greenback, denouncing monetary inflation as the greatest of evils; and who subsequently passed through the contest over the restoration of silver to coinage, without yielding in the least to the suggestion of possible mischief from a diminishing money supply, caused by the demonetization of one of the two money-met-

als; and who have, until very recently, held to the orthodox view that the money supply will take care of itself, so far as a deficiency is concerned, and that the only thing to be dreaded is inflation, have suddenly broken down in the strangest way, not only losing their spirit of resistance to the demand for a large and arbitrary increase of silver coinage, but appearing, in not a few cases, to be actually desirous that it shall take place. Many who, a few months ago, denounced the increase from two millions to four and a half millions of silver dollars, a month, as suicidal folly, are now contemplating without apparent alarm, if not with complacency, the increase of the monthly coinage to seven millions, or even free coinage.

Whatever may have been the main motive in producing this change of position with reference to an increase of the money supply, on the part of many of those who formerly called themselves, with much unction, the friends of "honest money," there is little doubt in my mind that the absence of a sufficient resisting or retarding force, at the present time, is largely due to the highly illogical and inconsistent views of the money-function and the money-thing, put forward by our leading economists generally, in the past.

At no other point has American thinking in economics been so loose. Making an insufficient analysis of the money function, to start with, most of the writers of the orthodox school have declared that inconvertible notes, however fully and freely circulating, were not and could not become money: a position which Prof. Henry Sidgwick declares no English economist of reputation has taken. Deprecating the

use of such paper as money, our own economists have, instead of stigmatizing it as bad money, asserted that it was not money at all. In so doing, they have gone against the common sense and the actual sight of the people. Every man who is not blinded by prejudice knows that greenbacks are money, just as much as silver or gold; bad money, if you please so to consider it, injurious, pernicious, anything you like, but money all the same.

In thus going against the common sense of the people, the professional economists have impaired their influence, in other directions, over the public mind. Nor has the error I have indicated been a merely incidental, and, in its evident import, a trivial one. These writers have insisted upon making their definition of money a test of economic orthodoxy. They have forced this view upon the popular attention urgently and aggressively. They have not only departed from the reasonable position of their English colleagues, as stated, but, in their zeal to put down the forms of money they disliked, they have abandoned their own fundamental principle of value, declaring that the cost price of the gold in the coin measures the cost price of the goods for which it is exchanged, as a yardstick measures length and a bushel capacity, forgetting for the time all about such things as supply and demand.

Worse than this, as a means of forfeiting public confidence, those who have assumed to be preeminently the exponents of sound monetary doctrine have uniformly disparaged the importance of a full supply of money. In the greenback contests from 1868 to 1876, while attributing to inflation the direst evils that can afflict a State, they declined to give

any consideration to the possible mischief to be wrought by contraction, even if they did not expressly hold with Mr. Wells, that "a three-cent piece, if it could be divided into a sufficient number of pieces, with each piece capable of being handled, would undoubtedly suffice for doing all the business of the country," or again, that "were all the currency in the country absolutely swept out of existence tomorrow, * * * there would not probably be one less acre of land cultivated, yard of cloth made, ton of coal dug or pound of iron smelted, in consequence."

In like manner, when the contest over silver came on, the same economists refused to concede any importance to the possible effects of demonetization as diminishing the money supply, declaring that trade and production would easily readjust themselves to the new conditions.

I do not say these things because it is pleasant to find fault with men, who, in the best of good faith and good feeling, wrote or spoke what they believed to be for the public weal; but because I am convinced that these fundamental errors of the leading economists of the orthodox school, upon the subject of the money-function and the importance of the money supply, constitute no small part of the reason why, in the present critical situation, the conservative force which should be exerted in restraining the nation from excess, seems almost wholly wanting. The professional analysis of the money function has been utterly discredited. Money does not "measure value" as the yardstick measures length and the bushel capacity. Prices—*i. e.*—the money values of goods, are determined by the demand for and the supply of money pieces, of whatsoever those pieces consist;

whatever be the source of that demand, whether an instinctive appetency for a certain metal, or the force of law conferring legal-tender power upon bits of colored paper; whatever be the causes which control that supply, whether mere convention or absolute cost of production.

Again, the money supply is not a matter of no consequence. Alike considerable excess and considerable deficiency inevitably become the source of direful ills and woes unnumbered. If of an irredeemable and fluctuating paper currency, that alcohol of commerce, it may be truly said: "It biteth like a serpent and stingeth like an adder," with equal truth it may be added that strangulation, suffocation are not words too strong to express the agony of the industrial body when embraced in the fast-tightening folds of contracting money supply.

Unfortunately those who should now be on deck as pilots to guide the ship of State through the narrow sea that separates the whirling gulf of silver monometallism, with a premium on gold and a debased coinage, from the bare and jagged rocks of gold monometallism, with increasing monetary stringency and falling prices, have discredited themselves with captain and crew by denying the very existence of Scylla, and declaring that upon that side there is a broad and open sea. In this lack of natural leadership we can only hope that prudence may rule the hour; and that the instinctive conservatism of the American people may enable them to pass through one of the most perilous crises in their financial career without a wreck.

I have but one other topic to mention at this time. Alike the unprecedented increase in the number of

foreigners arriving on our shores, and the not less notable change in the character of the new comers, seem to require that our people should seriously debate the question whether their own social and industrial well being and their duty to their posterity do not demand the stringent restriction of immigration by law.

I am not speaking now of measures for keeping out a few thousands of "assisted immigrants," or for sending back some score of criminals and lunatics, each year. The question I raise concerns, not thousands, but millions. It is the question whether there is to be any limit to the extent to which we shall share our birthright, as a nation, with strangers. The issue is a selfish one, clearly enough; but self-defense is a law of nature. The first duty of every nation is to its own people and to their proper descendants. It may not impair, or, beyond a certain point imperil, those interests, for the benefit of others, without bringing itself under scripture condemnation as heathen and infidel.

But further, it may be said that the position of the United States, viewed as a possible benefactor of the race, is a highly peculiar one. So far as, after the proper care and defense of our own people, we owe any duty to other nations—and who shall say that we do not?—that duty is best to be discharged by making this experiment of free government and of educated labor, here on this Western Continent, successful in the very highest degree. Aside altogether from our own interests, it may confidently be asserted that nothing which we could do by offering homes, without challenge, to some millions of the most wretched of Europe, would add to the general sum of happi-

ness that which would be an adequate compensation for injury done to the character and the future of this free, peaceful commonwealth of educated labor. The moment the access of foreigners begins, by reason either of their numbers or of their condition, to lower the standard of living here and to impair the self-respect and social ambition of our people, that moment we may say that thereafter we can do more for Europeans in Europe than we could do for them upon our own soil.

No one has ever put into words the half or the tithe of the industrial blessings which the New World has already conferred upon the Old, through the example it has given of intelligence, mobility and successful enterprise among the people, through the standard of general comfort and decency which it has maintained, and through the strong, steady pressure its competition has exerted upon the employers of underfed and overworked labor. I sincerely believe that the influence of this land beyond the seas has been the greatest single force which has worked during the past fifty years for the elevation of the masses over there. And never did Europe need America — America at its best ; successful, prosperous America — so much as now. Never before did it so clearly appear that the New World had been called into existence to redress the disturbed balance of the Old. I say, therefore, that, whether we look at this question as patriots or as philanthropists, our first duty is to see to it that this political and industrial experiment does not fail; our second duty is to make it as glorious and conspicuous a success as possible.

Now, is the republic in any way threatened by immigration as at present going forward? During the ten years ending July 1, 1890, five millions and a quarter of foreigners arrived upon our shores. This is twice the number ever before arriving in one decade. No reason is known why the arrivals of the next ten years may not equal those of 1880-90; may not, indeed, exceed them as greatly as these exceeded the arrivals of 1870-80.

The continent of Europe, away back to the plains of Hungary, Poland, and Russia, is now so completely crossed by railways, the organization of the emigration service is everywhere so perfect, the capabilities of the ocean fleets are so enormous, that, alike the time, the money and the amount of mental energy and enterprise required have been reduced to a point which puts it within the power of tens of millions of peasants, in the most miserable conditions of life, to remove themselves to the New World. Even in the depths of the Austrian Tyrol, and in remote villages of Bohemia, are found the agents of railway companies and steamship companies, who put emigration into the heads of the peasantry; who assist the intending emigrants to dispose of their little effects, buy their tickets for them, put them and their baggage into the cars and lock them in, consigned to the agent of the proper steamship company at Bremen, Hamburg, or Antwerp. Upon arrival at the port, the emigrants are let out of the cars by steamship officials, taken to warehouses where they lay themselves and their bundles on the floor until the ship is ready to sail. In New York, again, they are met by agents, put into cars and dispatched to their new homes.

So perfect has this organization become, so completely has the enterprise of the transportation companies tapped all the great reservoirs of population in Europe, that it is difficult to feel any assurance that the movement will not go on, at its present rate, or even more rapidly, until the balance of advantages, now existing in favor of the United States, shall entirely disappear. The channel is so broad and so clear that the stream will flow as long as any difference of level remains. This is what is meant when one asks whether there is any limit to the extent to which we are willing to share with others our birth-right as a people. But there is more, much more, than the question of numbers to be considered in treating this matter of immigration. As has been intimated, a very serious change for the worse has taken place in the character of the people arriving on our shores. Formerly there was a certain presumption that the immigrant was a person of rather more enterprise and intellectual initiative than his fellows who remained at home. He was a man who could accumulate no trifling means for the expenses of removal; he was a man who thought for himself and had intelligence enough to know at once that he was not well off where he was, and that he could better himself by going elsewhere. He was also a man who had the moral courage and decision of character to plan, resolve and execute.

To-day the presumption is reversed. It is among the least prosperous and thrifty that the emigration agent finds his best recruiting-ground; and when once the luckless, perhaps shiftless, peasant makes up his mind, or has it made up for him, that he will go, all need of care and pains and effort on his part

is, as I have shown, removed by the attentions of those who are paid to take charge of him.

Moreover, the immigrating impulse has, within the past few years, extended itself to races of which we had previously known but little. We are now draining off great stagnant pools of population which no current of intellectual or moral activity has stirred for ages. Thousands and hundreds of thousands of those who represent the very lowest stage of degradation to which human beings can be reduced by hopelessness, hunger, squalor and superstition, are found among the new citizens whom the last decade has brought into the republic; and these are but the forerunners of hundreds of thousands and millions more, unless this stream shall be checked.

The limits of this address will not permit a discussion of the probable effects of such an influx upon our social, industrial, and political life, in the United States; upon the standard of living, the rate of wages, and peace and order of the country. I believe that the races now becoming so familiar to us, have not, and will not for generations develop that capability of responding to the opportunities and incitements of their new life here which the Irish and Germans of the older immigration displayed in such a truly wonderful degree.

If this be indeed so, the prospect before the nation is a gloomy one. The subject deserves, demands, instant and full consideration. The Economic Association can do no better service to the country than by taking it up for earnest, candid, searching investigation, and by bringing the question sharply and forcibly, in all its bearings, before the American people. If after full discussion, it shall appear that the

nation is in peril from this cause, time will have been gained for discovering and applying a remedy before it shall be too late. If, on the other hand, we shall be convinced that the republic can, in spite of all, safely continue to keep its ports open to all comers, without challenge and without discrimination, patiently enduring some present evil rather than surrender its proud name as the asylum for the oppressed of every race and every clime, our action will then have a double virtue, inasmuch as it will be, not by accident, or inadvertence, or sheer incapacity for studying the future, but intelligently, solemnly, and of set purpose, that we take up the burden of the woes and wrongs of our fellow-men which the waves and tides of Ocean thus bring to our feet.