

ties which that corporation has the power to distribute. His proportion will be assigned to him periodically in terms of money; but that will be simply an order on the social service market for the commodities, up to the money measurement, that he desires. Inasmuch as this assignment is periodical, the shares will have a capitalized value, according to the capitalistic rule of three I have already referred to to-day.

And so it goes, Doctor. The substantial thing, the essential thing, in the social service market, is not values; it is not money terms; it is not dollar marks or other financial symbols—no matter whether they make a homogeneous and indivisible volume of value or not. These things are only devices for measurements in trade. The substantial and essential things are the commodities they measure the value of.

And when we consider what commodities are, we find, as I have explained before and doubtless shall again, that under capitalism they may fall into three classes—capitalized labor, capitalized land, and capitalized capital. But don't allow the fact of capitalism, nor any variety of terminology, to confuse you, Doctor, as to the essential differences of these three things. Capitalized labor drops out with the abolition of slavery, but labor itself does not. Capitalized land would drop out if differential advantages of location were equalized and monopoly of land prevented, but land itself would not. As to capitalized capital, you may refresh yourself with that diagram you made the other day at my suggestion. In the last analysis, capital—the volume of artificial instruments of production—is merely a product of labor, whether free labor or slave, applied to land, whether monopolized land or not. But this is a subject about which I wish to speak more specifically when we have the time.

EDITORIAL CORRESPONDENCE

NEW ZEALAND RAILWAYS, AND AUSTRALIAN POLITICS.

Corowa, N. S. W., Australia, July 31st, 1908.—On May 1st you published an article by Mr. Max Hirsch on Government railways in Australia (p. 103). The following dispatch from Wellington to the Sydney Daily Telegraph of July 15, 1908, gives further light on the subject by publishing the revenue and expenditure of the state owned railways of New Zealand for the year ended June 30, 1908:

The total earnings on the New Zealand railways for the 12 months amounted to £2,761,938, and the total expenditure to £1,949,759.

The net revenue is equal to a return of 3.33 per cent. on the capital invested in open lines, and 3.04 per cent on

the total capital invested in open and unopened lines. The expenditure shows an increased ratio to earnings of 1.53 per cent.

The revenue for the coming year is estimated at £2,835,000, and the expenditure at £2,020,000.

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Early in July, the Federal labor conference was held in Brisbane, Queensland. It decided that the Labor party in the Commonwealth parliament should not enter into an alliance with any other party. It is probable that but for this decision the Labor members would have joined with the Socialistic section of the Protectionist party and formed a ministry to replace that of Mr. Deakin. The following platform for the Federal Labor party was adopted:

Fighting Platform.

1. Maintenance of white Australia.
2. New protection.
3. Nationalism of monopolies.
4. Graduated tax on unimproved land values.
5. Citizen defense force.
6. Commonwealth bank.
7. Restriction of public borrowing.
8. Navigation laws.
9. Arbitration Act amendment.

General Platform.

1. Maintenance of white Australia.
2. New protection.
3. Amendment of constitution to ensure effective Federal legislation for new protection and arbitration.
4. Graduated land tax, graduated tax on all estates over £5,000 in value, on unimproved value.
5. Citizen defense force, with compulsory military training, and Australian-owned and controlled navy.
6. Commonwealth bank of issue, exchange, and reservation, with non-political management.
7. Restriction of public borrowing.
8. Navigation laws to provide for (a) the protection of Australian shipping against unfair competition; (b) registration of all vessels engaged in coastal trade; (c) efficient manning of vessels; (d) proper supply of life-saving and other equipment; (e) regulation of hours of work; (f) proper accommodation for passengers and seamen; (g) proper loading gear and inspection of the same; (h) compulsory insurance of crews by ship-owners against accident or death.
9. Arbitration Act amendment to provide for preference for unionists, and the exclusion of the legal profession, with provision for the inclusion of state government employes.
10. Old-age and invalid pensions.
11. General insurance department, with non-political management.
12. Civil equality of men and women.
13. Naval and military expenditure to be allotted from the proceeds of direct taxation.
14. Initiative and referendum.

The last plank appears for the first time. It deserves a higher place on the list, and should have the support of all Liberals.

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The State Government of Victoria proposes to bring in a land valuation bill to provide for the valuation of the improved and unimproved value of all land in the State. Municipalities are then to be given the option of imposing taxes on either the improved or unimproved value. This bill will have powerful press opposition and will probably be rejected by the Legislative Council (upper house) which is a very conservative body.

Women may vote at Federal elections throughout the Commonwealth; in the State of Victoria alone

they are not State electors also. This is due to the Council, which has repeatedly rejected woman suffrage bills which had been passed by the assembly.

ERNEST BRAY.

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BRITISH POLITICS.

London, Aug. 10.—Three weeks in Great Britain is hardly long enough to qualify a stranger to write very intelligently of British politics in detail. But the broader outlines are so much like those of our own politics that one quickly apprehends their general bearing.

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Between the Liberal party of Great Britain and the Democratic party of the United States there is a singular similarity. There are plutocratic Liberals, democratic Liberals, Liberals by tradition, and Liberal traffickers in politics, precisely as there are plutocratic Democrats, democratic Democrats, traditional Democrats, etc. And just as with us the trend of the Democratic party is toward democracy, notwithstanding all the back eddies, so in Great Britain the trend of the Liberal party is democratic despite every drawback.

There is another similarity. Most reformers of the democratic type in Great Britain affiliate with the Liberal party, as men of like mind in the United States affiliate with the Democratic party, not from any special love for the organization or hero worship of its leaders, but because they recognize in its general following the massing of the public sentiment which springs from a democratic impulse—that massing of sentiment upon which all democratic reforms must depend for political success.

Still another point of similarity is the tendency of certain types of impractical reformers to organize futile side parties, and in doing so to care less for their cause than for their organization, and to prefer Tory success to Liberal success when they can not win themselves. That is to say, these third parties which profess a democratic purpose and cannot win at the polls, nevertheless go to the polls with their own candidates in hopeless constituencies, instead of using their influence within the Liberal party, and in so far as they have any effect at all, promote the election of Tory over Liberal candidates by dividing the Liberal vote. In our country, these tactics result, when they result in anything, in victories for the Republican party, as in Great Britain they result, when they result in anything, in victories for the Tories. For just as the Democratic party with us is like the Liberal party here, so the Republican party with us is like the Tory party here. Transplant a Republican to Great Britain and he becomes a Tory as naturally as a duck's egg hatches a duck. Even tourists from the United States will be found to be instinctively in sympathy with the Tory party if they are Republicans at home.

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One of the British side parties is a natural group—the Irish party. This represents a geographical section which is denied self-government, and it will doubtless hold together as long as full autonomy is withheld from Ireland.

An analogous claim is made for the Independent Labor party, which, under the leadership of Keir Hardy, has become a power in British politics. As the Irish party stands for the liberties of Ireland, so it is argued does the Independent Labor party stand for the liberties of workingmen, being to a social class what the Irish party is to a geographical section. Strong as this party is, however, it is a party of recent growth—of mushroom growth, as some are saying,—and it has yet to prove its title to permanency. Another election may strengthen it or annihilate it, and no one can foretell which. Whoever attempts a prophecy may be fairly regarded as expressing his desires rather than his judgment.

The Independent Labor party may be described not as a socialist but as a socialistic party. It turns a cold shoulder to the simon-pure socialist organization—called the Social Democratic Federation,—yet it adopts the fundamental ideas of that body: labor class politics, and hostility to industrial competition. Its principal leaders are socialists in greater or less degree, but it is overwhelmingly a trade union as distinguished from a socialist body. Among its influential though not principal leaders are trade union men who are what are known in the United States as "pure and simplers." There is also in the party an influential element of what we know as "single taxers." In Great Britain the single tax idea is better understood as "land values taxation"; and under this name it has permeated the Independent Labor party to such an extent that the party may be said to be completely committed to that reform.

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The land values taxation movement distinctively, which was begun in Scotland a quarter of a century ago by Henry George, and now colors all British parties except the Tory, and has evoked from that party its best tribute—outspoken and vigorous opposition,—is fostered by non-partisan leagues of George's followers. These leagues are localized, but for greater effectiveness they have formed a United Committee, with headquarters in London. Although non-partisan, they have found after years of experience that their work tells best in radicalizing rather than antagonizing the Liberal party, and in antagonizing the Tory party, which cannot be radicalized. Following this policy, they have brought about a condition in which the Liberal party is officially committed to land values taxation, and will doubtless make it one of the issues upon which its "appeal to the country" will be made at the next general elections. Some legislation along these lines has already been proposed by the Commons, but rejected by the Lords. That which is to come is expected to be more radical. It would certainly have been so had Sir Henry Campbell-Bannerman lived, for he was a thorough convert. Mr. Asquith is not a convert, but the political situation is such with reference to land values taxation that it seems hardly probable that the ministry will be so imprudent as to "go to the country" without making this policy a conspicuous issue.

The "tariff reform" issue may figure in the next elections, but whether vitally or not will probably depend upon the boldness and vigor with which the Liberals throw more important issues, such as land values taxation, into the political arena. "Tariff reform" is the British euphemism for tariff protection.