

middle West, is one of the tolerably certain things of the future—unless, of course, the “insurgents” should be able to wrest control of the Republican party from the Bourbon element, which does not seem likely. In Iowa there is much latent sentiment for a new party now, and the spectacle of another Congress controlled by vested interests will do much to intensify that sentiment.

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One thing is certain beyond peradventure of a doubt: it is mere idle folly to hope or expect that the “insurgent Republicans” can be cajoled or exasperated into voting the Democratic ticket. Democratic politicians who imagine that this “insurgent” movement can be made to inure to the benefit of their party are building fragile castles in the air, which will come tumbling down about their ears with the first opportunity to test their theory. Permit the writer to say that he has voted the Democratic ticket all his life, and consequently is not airing any individual prejudice against that party.

Hostility to the Democratic party is bred in the bone of the average middle Westerner. Tradition, sentiment and prejudice combine to keep him from voting the Democratic ticket. Moreover, the record of the Democrats on tariff and kindred questions involving vested interests is too untrustworthy to attract the independent voter. Your Iowan can't see what he can gain by deserting Aldrich to fall into the arms of “Joe” Bailey and “Gum Shoe Bill” Stone—and, speaking candidly as a Democrat, I can't see it either.

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No; if the potency of the middle West in the Electoral College is not strong enough to convert the Republican party into a low-tariff or a no-tariff party, and wrest the control of that organization from the plunderbund, then the logic of the situation demands a new party, and such a party will be evolved here in the middle West. This is not prophecy. It is knowledge acquired by conversing with the man in the street.

The leaven is working now; and the new party, when born, will be a party that will unite the followers of Cummins and La Follette and of Bryan and Gore, and which will force reactionaries of both old parties into a single organization of their own. Taft's embracing of Aldrich, Cannon, Tawney and Ballinger is hastening the day.

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One word in conclusion. I have spoken of this “insurgent” sentiment as though it were practically unanimous—pervading the entire rank and file. I wish to be understood as meaning just that. The practical unanimity of this sentiment is the amazing thing about it. It is a thing which Eastern politicians—notably the President—haven't the slightest conception of. If the President had understood it, he would not have delivered himself as he did at Winona.

This “insurgent” movement has passed the mere insurrectionary stage; it has attained the dignity of a revolution.

D. K. L.

NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, September 28, 1909.

British Politics.

Balfour, the Tory leader in British politics and former Prime Minister, is reported to have definitely thrown down the Protection gauntlet in a keynote speech at Birmingham on the 22d. According to the news dispatches, he said that—

the Budget with its dangerous tendency towards slipshod communism had raised the most important issue for many years, and the nation now is to decide whether it would enter the upward, hopeful, forward movement for tariff reform [protection] or take the first, though in no wise the short step, on the downward track which leads to bottomless confusion and socialistic legislation.

The meeting, which was a Unionist or Chamberlain meeting, adopted a resolution declaring the Unionist party's loyalty to Balfour's leadership and saying:

Recognizing that the financial proposals of the Government are intended to postpone indefinitely the policy of tariff reform [protection], this meeting declares its determined adherence to that policy as a necessary means of increasing employment at home and strengthening the Empire at large.

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Several weeks are yet to elapse—perhaps about three—before the Budget gets to the House of Lords. The Commons still have it under consideration, and on the 24th, on the whisky tax, the Liberal majorities ran down as low as 13. “These approaches to defeat,” cables T. P. O'Connor in the Chicago Tribune of the 26th, “were caused by Irish opposition to placing an additional burden to the whisky tax, whisky being not only the national beverage in Ireland, but one of the few remaining industries.” The general opinion seems now to be that no matter what course the House of Lords takes, the general elections will be on in a few months.

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We get by mail the full report of the speech (p. 896) at Glasgow on the 10th of Lord Rosebery, formerly a Liberal prime minister. At its close there was loud and prolonged cheering. The type of audience may be inferred from the leaders at the meeting: Mr. William Lorimer (of the North

British Locomotive Works), chairman of the meeting; Sir John Ure Primrose, Mr. Hugh Reid (North British Locomotive Company), Lord Blythswood, Lord Newlands, Sir William Arrol, Sir James King, Sir Matthew Arthur, Sir James Bell, Sir John Stirling-Maxwell, Sir Nathaniel Dunlop, Sir H. Shaw-Stewart, Sir John Wilson, Sir Hector Cameron, and Sir William McEwen. Lord Rosebery's speech occupied two hours in delivery and was a condemnation of the Budget in detail, closing with these words:

The party of social policy promise blessing, but produce ruin. England is beginning to enter upon this path. Let her persist in it a few years, and we will see where it will land the country which liberty made the richest in the world and the mightiest since the Roman Empire. (Cheers.) I do not say on this point all that is in my mind. I wish to speak with restraint, as I speak with regret, though there is little left for one in my position but the melancholy and unpopular privilege of telling what I believe to be the truth. I think my friends are moving on the path that leads to socialism. How far they are advanced on that path I will not say; but on that path I, at any rate, cannot follow them an inch. (Loud and prolonged cheering.) I may think tariff reform or protection an evil, but socialism is the end of all, the negation of faith, of family, of property, of the monarchy and of empire.

On the land clause of the Budget, Rosebery said:

The most suspicious part of the Budget is that dealing with land. First, because of the sources from which those provisions proceed; secondly, because of the enormous sums laid out by the government to obtain what appears to be an infinitesimal return; and, thirdly, because of the principles and the arguments on which that part of the Budget is founded. There are six new taxes placed upon land, four on land alone and two others as expansions of taxes already created. I mean the income tax and the death duties. I am sorry to tell you that the word "expansion" plays a very considerable part in both of those. The Prime Minister says that after all you need not grumble because two of these taxes are only expansions of taxes. Yes, but an income tax of twenty shillings in the pound would only be an expansion of a tax which already existed. (Laughter.) Then the blessed word "expansion" is used in the land taxes. "Oh, though they are small at present," say both the Prime Minister and the Chancellor of the Exchequer, "they are capable of infinite expansion." That is the comfort that is given to the land tax payer. The tax, though small, is like a dum-dum bullet, it enters the body by a small hole, but when it gets into the body it expands and kills the victim. (Laughter and cheers.) I say that the source is suspicious because I believe that the source in the main is our Glasgow friends of the land nationalization league. I cannot forget that Mr. Lloyd George himself, the Chancellor of the Exchequer, speaking in October, 1906, when he was already a highly-placed Minister, said "Nationalization of land must come, but it must come by easy stages." This is the first easy stage. (Laughter.) The other day the land nationalization league

held a meeting, in which they were extremely jubilant over the Budget. Some of them—they were members of Parliament, all that were reported—some said the private ownership of land was criminal and so forth, and Mr. Keir Hardie wrote—and he is a man whose words are valuable in these days—(laughter)—wrote simply but pregnantly, "these are encouraging times for land nationalizers." (Laughter.) When I see that sixteen millions are said to be required by the Government to fill up their deficit—I take their own figures; I pass no opinion upon them—and that only a very insignificant sum is to be raised by these taxes, part of which is to go to the localities, I cannot help smelling a rat. (Laughter.) I should like to take as an authority on the principles which govern the Government in this matter a friend of all of ours [Mr. Ure], the Lord Advocate. (Some cheers.) We all like him. (Some laughter.) We do not quite agree with him, but nobody can help liking him. We like him for that engaging frankness which is not always to be found in ministers. Some ministers try to keep their cat in their bag altogether. Some let you see sometimes the tip of his ear and sometimes the end of his tail—(laughter)—but no bag has ever been constructed large enough to hold the cat of Mr. Ure. (Cheers and laughter.) While other ministers are thinking Mr. Ure is speaking. What are his reasons—and this is what I want the business men of Glasgow to attend to—what are his reasons for placing land in a special category as regards taxation? . . . Its existence, first, is not due to the owner; secondly, it is limited in quantity; thirdly, it owes none of its value, they say, to anything the owner does or spends. That is absolutely untrue, because almost all the value of land comes from what the owner does or spends. Fourthly, land is absolutely necessary to existence and production. Now, of all these reasons only No. 4 is not applicable to every other form of realized property.

A large part of the rest of the speech was given over to an argument in support of the last statement.

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The speech of the Prime Minister, Mr. Asquith, delivered at Birmingham on the 17th (p. 923), in support of the Budget, has also reached us by mail. This speech, preceding by a few days the speech of Mr. Balfour noted above, was made under the chairmanship of Arthur Chamberlain, brother of the ex-Colonial Secretary, who described the Budget as "so bold, so far-reaching, and so evidently the landmark of a new age and of a nobler and more effective Liberalism, that it might well secure the enthusiastic support of all true Liberals as it had the bitter hostility of all Tories." Mr. Asquith's speech, a conventional defense of the Budget, was especially notable for its challenge to the dukes and earls. Replying to Rosebery he quoted him against himself, as saying in a speech when Premier, that the London County Council "has laid down some principles which will not be allowed to die," and the "first of these is the taxation of ground values." We quote passages in Mr.

Asquith's speech from the Northern Whig of the 18th, sufficient to exhibit Mr. Asquith's progressive and determined purpose:

You have come, if I rightly divine your intentions, to declare your fixed resolve—(cheers)—first, that the necessities of the state shall be met by an equitable distribution of the burden of taxation—(cheers)—and next, that in settling both the measure and the incidence of that burden the freely-chosen representatives of the people have the final and the determining voice. (Prolonged cheering.) . . . I agree in one respect, and one only, on this subject with Lord Rosebery. I agree that we are making a new departure in this matter. (Cheers.) What is that new departure? We have for the first time principles, the justice of which has been admitted by every impartial mind that has been given to the study of the subject—those principles are being recognized and acted upon by a responsible Government of the Crown. (Cheers.) Gentlemen, I say of these so-called land taxes that they are just, because for the first time they exact a contribution, and not an excessive contribution, to the public funds from a class of property which has hitherto escaped scot free. I say, in the second place, that they are financially politic, because they bring in immediately, and will bring in in the years to come a growingly productive revenue; and I say, thirdly, that they are socially expedient because they will bring in their train amongst their consequences the breaking up of land, of putting into the market the land which is now artificially withheld, the dissipation of congestion and of overcrowding, and the laying of a better and healthier foundation for our civic and our urban life. . . . I come finally to another question—what is going to be the fate of the Budget—(cheers)—when it has received, as it will receive, the considered approval of an overwhelming majority of the House of Commons? (Cheers.) We are told—I cannot pretend to believe it—we are told that there is a possibility that the House of Lords, whether by mutilation or by rejection, and it matters not which—(loud cheers)—may set aside the provision which the House of Commons has made for the financial necessities of the state. Gentlemen, this would be indeed the most formidable and the most fundamental act since the days of the Long Parliament. (Cheers.) I assert with confidence that there is no rule more deeply ingrained in our Constitution, more solemnly hallowed by precedent, more plainly sanctioned alike by the traditions of the past and by the requirements of today than that in matters of finance the Commons, the representatives of the people, have an absolute and unquestionable and a decisive voice. . . . I say here is a principle asserted upon the strength of precedents which were already ancient in the time of Pitt and Selden, and reasserted with no less energy and insistence even in the servile atmosphere of the Restoration, acknowledged time after time, generation after generation, by the most illustrious and responsible spokesmen of both parties of the state. The principle is this, as stated in the plainest and most naked possible words, that in matters of finance the Lords are impotent and the Commons are supreme. (Loud cheers.) Gentlemen, I

ask, is that condition of our Constitution, established in the past while freedom was painfully struggling into life, confirmed again and again in time of storm and stress, reiterated and safeguarded, as I have shown you, under every temptation, and the ignoring or overriding of it by the greatest statesmen of the Tory party itself—is that venerable canon now going in the twentieth century for the first time in nearly three hundred years to be put in jeopardy? (Loud cries of "No.") Amendment by the House of Lords is out of the question. (Great cheering.) Rejection by the House of Lords is equally out of the question. (Renewed cheers.) It would mean, as Mr. Balfour says, to repeat his own language, the bringing by the action of the House of Lords the whole of the Executive machinery of the country to a standstill. It means in a word financial and administrative chaos—a chaos how profound, how far-reaching, how fraught with injustice to individuals and danger to the state, it is no part of my business tonight—I trust it may be no part of my business hereafter—to demonstrate and to make plain. There stands the matter, gentlemen. Is this issue going to be raised? If it is, it carries with it in all its train consequences which he would be a bold man to forecast or foresee. That way revolution lies—(great cheering)—and if it is going to be seriously threatened, involving, as I venture to predict it will, issues far wider, far deeper, than the mere right of the House of Lords to meddle with finance—(laughter)—I say for you and for me, I say for the Liberal party that we represent—(cheers)—that we are not only ready but anxious, that we are not only anxious but eager—(cheers)—to take up the challenge. (Loud and prolonged cheering.)

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An impressive statement from business men was issued on the 15th. It describes the Budget as offering "an important measure of freedom to the business men of the country." Asserting that "a new basis of assessment is necessary," it declares that the Budget, by providing for the valuation of land apart from private improvements, furnishes this basis. Its argument then proceeds as follows:

So far from inflicting any burden on enterprise or industry, a rate or tax on the value of land would afford them stimulus and encouragement. Production of raw materials and buildings—which, after all, is an essential preliminary of manufactures and commerce—requires the use of land in sufficient quantity and on fair terms. This is denied to it by our system of land tenure. Even a moderate rate or tax on the value of all land, whether used or held idle, would incline the owners to meet the offers of those who desire to develop it. In this way, such a tax would benefit the landowners themselves, and by increasing production would contribute to the prosperity of all classes in the country. We, therefore, commend this policy to business men in the hope that they will consider it in relation to their business interests, and support the demand for a consistent and uniform valuation and tax.

Among the signatures to this document are those

of the chairmen of the following incorporated business firms:

Samuel Montagu and Co., Bankers, London; Kynoch (Ltd.), Tubes (Ltd.), Ammonia Soda (Ltd.), Birmingham; Swan Hunter and Wigham Richardson (Ltd.), Wallsend; Brunner, Mond & Co. (Ltd.), Northwich; Cadbury Bros. (Ltd.), Birmingham; Stapley & Smith, manufacturers, London; British Insulated & Helsby Cables (Ltd.), Liverpool; Mather & Platt (Ltd.), Manchester; Rudge Whitworth (Ltd.), Lanchester Motor Co. (Ltd.), Coventry and Birmingham; Redpath, Brown & Co. (Ltd.), Edinburgh and London; Hart & Levy (Ltd.), Leicester; John Barker & Co., departmental stores, London; Mond Nickel Co. (Ltd.); Wm. Collins, Sons & Co. (Ltd.), publishers, London and Glasgow; S. Dugdale, Son & Co. (Ltd.), cotton spinners, Sowerby Bridge; Joseph Smithson (Ltd.), textile manufacturers and printers, Halifax.

Among the personal signatures are those of—

C. J. Cawood, farmer, East Riding; Phillip Bright, engineer, London; Sir Henry Ballantyne, woolen manufacturer, Peebles; William Strain, color printer, Belfast; T. W. Toovey, farmer, King's Langley, Herts; Henry Withey, ship builder, West Hartlepool, and A. W. Metcalfe, flax spinner, Belfast.

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An American observer, George Wallace of Freeport, Long Island, has recently returned from Great Britain, where, as the son of a Scot, he participated in the campaign. The following brief but significant description of it comes from him:

The land restoration fight is on for fair in England, coupled with a fight for free trade as against "tariff reform" so-called—meaning protective duties. The landed interests, more clearly even than the single tax folks, read the handwriting on the wall. Like myself, they see much more of the Henry George philosophy than appears on the surface. Both parties are amazed at the popularity of the land taxes in the Budget, which fact adds to the rejoicing on one side and the dread on the other. The privileged landholders have worked themselves into a state of terror in fear of the Henry George philosophy.

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The Douma Program.

The Russian Douma is (pp. 637, 758) to resume sessions on the 28th. According to the Associated Press reports the tentative program includes the consolidation of rural holdings bill; the reform of local courts; the inheritance and income tax measure; and the law for universal primary education. "The upper house will be busy with the great agrarian law for the dissolution of peasant communes, which passed the Douma during the spring session; the several measures on religious toleration, which only await the formal third reading in the lower house; and its own bill reducing the long list of religious and civic holidays. The agrarian law, it is expected, will be adopted without trouble, although prolific of debate; the tolera-

tion bills, to which the Douma, against strenuous conservative and church opposition, gave a thoroughly liberal construction, probably will be pruned of some of their progressive features, and the proposal for the reduction of holidays, against which the whole weight of the orthodox hierarchy is thrown, probably will fail. The first work of the Douma will be devoted to an important but noncontentious measure for the reorganization of fishery rights on interior lakes and rivers. The committee on labor will then report on a measure for normal hours of labor for hand workers, providing for a twelve hour day, with two hours reduced for meals, and three hours for school attendance for employes of school age. The maximum hours of labor may be lengthened two hours during the busy season, but not for more than sixty days in the year. In its report the committee asks the ministry of commerce and labor to submit without delay law projects on child labor and apprenticeship."

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Spain Settling Down Again.

The little war being waged by Spain in the interests of Spanish and French capitalists against the Riff Moors in Morocco (p. 876), is apparently drawing to a close with the victory to Spain. On the strength of their improved situation the Spanish government is restoring the constitutional guarantees withdrawn from turbulent localities in Spain at the time of the recent revolt over the unpopularity of the Moroccan war, except in the provinces of Barcelona (p. 825) and Gerona. The Cortes has been summoned for the 15th.

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The International Tax Association.

At the opening of this year's convention of the International Tax Association (vol. xi, p. 686), at Louisville, Ky., on the 21st, the president of the Association, Allen Ripley Foote, in his annual report, asked the convention to go on record in opposition to the proposed Federal income tax (pp. 758, 828) and also to the proposed Federal corporation tax. He submitted the following resolution for recommendation by the convention to the several States:

"Resolved by the legislature of the State of ———.
"First, That the taxation of corporations should be reserved for the several States as a source of revenue for their exclusive use and benefit.

"Second, That all provisions of Federal law authorizing the taxation of corporations for Federal purposes be repealed.

"Third, That the legislature of the State of ——— hereby respectfully requests and urges the several Senators and Representatives representing this State in the Congress of the United States to support a properly drawn joint resolution when proposed for adoption by the two Houses of Congress, declaring it to be the policy of the Federal government to refrain from the taxation of corporations for Federal