

policy to build up a neglected borough capable of immense expansion.

Formerly this ferry was "administered by private agencies under the watchful supervision" both of Mayor Low and of Tammany Hall itself. Tammany appears to do better as a manager than as a supervisor of public utilities.

#### Encouraging real estate improvement.

The New York League for the exemption of real estate improvements to the extent of \$3,000 (p. 434) has had its bill, backed by thousands of signatures, introduced in the New York legislature. The bill is a simple one. It merely amends the existing law by inserting the following section:

The Board of Supervisors of any county, and the Board of Aldermen of any city covering more than one county, may by ordinance prescribe that there shall be exempted from taxation within such county or city, except for State and county purposes, buildings and other real estate improvements to a certain amount, which shall not exceed three thousand dollars on each separately assessed parcel of real estate. Such ordinance shall fix the amount of such exemption and shall be in force until amended or repealed by ordinance of such Board of Supervisors or Board of Aldermen. Such exemption shall have uniform operation throughout such county or city, and shall not be conditioned upon the nature of the use to which such buildings or improvements may be put or the character of the ownership thereof.

Special exemptions of improvements for limited terms is a familiar practice. It is a vicious practice, too; yet it springs from a sound economic principle, namely, that the exemption of improvements encourages improving. This principle can be properly realized by the method proposed. If special exemptions of improvements encourage special improving, general exemptions of improvements would encourage general improving. This is evidently the view of the State Comptroller of New York, who, in his official report submitted to the legislature on the 14th of February said:

While deprecating the extensive granting of exemptions from taxation

by special legislation, the comptroller suggests, if such favors in exemptions are to be allowed, it would not be inequitable to relieve from taxation the homes of citizens not exceeding \$3,000 in value.

#### The cause of hard times.

It is difficult to conceive of the New York Sun as an advocate of Henry George's single tax ideas; but a recent editorial reads as if the Sun's editor had accepted George's explanation of hard times. As is well known, George sets forth the fact that the essential factors of production are land, labor and capital; that, essentially, the product is divided into rent, wages and interest; that the share of each is dependent on the portions taken by the others; and that great land booms, by unduly increasing rent, or land values, rob labor and capital, stop production to a degree, and plunge the world into "industrial depressions" from which it takes a long time to recover. His language is as follows:

The confident expectation of future enhancement of land values, which arises in all progressive countries from the steady increase of rent, . . . leads to speculation, or the holding of land for a higher price than it would then otherwise bring. . . . That land speculation is the true cause of industrial depression, in the United States, is clearly evident. In each period of industrial activity land values have steadily risen, culminating in speculation which carried them up in great jumps. This has been invariably followed by a partial cessation of production, and its correlative, a cessation of effective demand (dull trade), generally accompanied by a commercial crash; and then has succeeded a period of comparative stagnation, during which the equilibrium has been again slowly established, and the same round been run again.

The Sun has seen that the increases in rent during the past two years, which have probably averaged at least two or three dollars a month per family, have taken that much out of the earnings of the people,—that much from their "effective demand" for commodities. It sees in the large rush of the better-paid classes of wage earners to escape the landlord by becoming home-owners, another

substantial cut in "effective demand;" for these must enter upon a regime of economy in order to pay for their homes. It shows that goods made to be sold will not be sold, or will be sold slowly, and that an overstocked market will curtail production, throwing many out of work and wages of any kind. Hence the Sun tries in its own peculiar way to check the great boom that threatens to bring disaster to business when it collapses. Listen, ye foolish ones. Building has been overdone, and financial institutions will put up interest rates and eventually refuse to lend at all if you persist. Buying for a rise has been overdone, and those who buy now will be bitten. We are comfortable and well-fixed; don't disturb the equilibrium by all going off to buy homes at once. You can't do it, anyhow, for you will put prices away beyond your own reach if you try. Let things settle awhile—at least until after the next election, so we can blame it all on the pesky Democrats, who are always trying to unsettle things! Thus, in substance the Sun. And now a word from us. Single taxers have never had a better opportunity for establishing reputations as statesmen who can see ahead. The smash is coming, sure as fate. They will not bring it about; it is not their fault, and they cannot help it. But they can explain what will bring it about; and when it comes they can truthfully say, as prophets and not as croakers: "We told you so!"

#### Capital and monopoly.

There is a peculiar insistence among professed students of sociology upon disregarding monopoly as a factor in the distribution of wealth. For instance, in a letter from Charities and The Commons requesting the cooperation of a gentleman of New York, this gentleman is informed that the publication (really excellent in many ways, let us say, and doubtless acting without thought rather than in bad faith in the matter under consideration) is endeavoring "to discover what

really are the relations of capital and labor." That monopoly is a factor here, the most important factor if the necessity for charity is to be explained, seems never to have occurred to the letter writer. Consider. Labor has no monopoly. Trade unions are sometimes mentioned as examples of labor monopolies, but that is true in so slight a degree, if true at all, as to be absurd. They are less monopolistic than lawyers', physicians', dentists', or similar unions, for these are under the protection of laws against non-unionsists. Capital also is said to have monopolies. But that means no more than that capital is exchangeable for interests in monopoly. Thus a ship might be traded for a street car franchise, but this doesn't do away with the essential difference between the two. As we should not say that a slave is capital because he is exchangeable for capital, neither can we say that monopoly is capital because the two are exchangeable. So long as men try to discover the relations of capital and labor in disregard of monopoly, which is different from either, just so long will those relations be elusive.

A DIVIDING LINE.

The people we know necessarily fall into certain classifications. Some have read, some have not. Some have traveled, some have not. Some have been to college, some have not. Some are generally good-natured, some are not. Some are rich, some are not. Some are interesting, some are not. Some go to church, some do not. Some think and some do not. And so on.

The question we are asking is, Which of all the dividing lines is most decisive in fixing the real position of men and women whom we meet and have to do with in the common doings of life? Across the classifications that may be thought of, is there not one which goes deeper than any other?

Between Dives and Lazarus, we are told, there was a gulf in the next world; between them the story shows that there was al-

ready a gulf in the present world. Shall we think of the gulf as merely one between wealth and poverty, or, since Dives left his wealth behind, shall we not rather think of the division as existing between different states of mind? It may fairly be assumed that the most decisive line of distinction must depend, not upon external conditions, but upon the state of mind.

Now, what is the state of mind, the having and not having of which makes the most difference in relations between men? Does it not turn upon the idea of what may be called in modern language the democratic mind?

The democratic mind implies a distinction which is internal and vital. There are people who have read books, who have traveled, who have been to college, who seem to be religious, who seem to think, yet they have never got to the root of the matter which the democratic mind puts first. The democratic mind puts first the common humanity of men, the dignity of man as man, the duties of man as man, the rights of man as man. It puts quite secondary all external distinctions, and we might almost say all merely intellectual distinctions.

Democracy represents the impulse and progressive tendency toward equality of dignity, duties, and rights. Called by different names, it has been the guiding principle of all the great forward movements in history. It is, moreover, the touchstone of genuine religion—the religion which is a motive power in life and regulates the relation of man to man.

No man who brushes the cobwebs aside, and reads the gospels with open eyes, can fail to see that the religion of Jesus, as it touches the relation of man to man, and as it influences man's attitude to his fellow man, is the religion of democracy. What were the Rabbis, the Sadducees, the Pharisees—the Scholars, the Intellectuals, the Orthodox—to Jesus? These were they who emphasized distinctions among men based on other grounds than the democratic ideal of justice and equality. They did not put the first thing first, but valued primarily learning, or wealth, or political and social position. Did not Jesus ignore all such lines of distinction? The religion he taught means true brother-

hood, and the highest ideal of brotherhood is primarily a relation of equality in mutual rights and duties. This is the democratic ideal.

Whosoever has once felt the spirit of this idea of the essential equality of men, and has come to see that the inequalities are merely secondary and accidental—whosoever has once got the conception of the democratic mind—can not get rid of it. It is vital and abiding. It fixes the viewpoint and standpoint of men. More than learning and ignorance, more than wealth and poverty, more than any other distinction whatsoever, the state of mind indicated by the words democratic or aristocratic is the main dividing line.

J. H. DILLARD.

NEWS NARRATIVE

How 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 so 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 Thursday, March 29.

The impending coal strike.

No final action regarding the pending coal strike (p. 853) has yet been taken, but the possibility of a settlement appears to have passed away.

In joint committee at Indianapolis the miners and the operators soon came to a deadlock. Although the miners waived their demand for 12½ per cent. increase, and offered to return to the wages-scale of 1903, from which they had receded temporarily by agreement at the last previous adjustment of the scale, the operators would not concede this much. Amounting to an increase upon the present scale of 5.9 per cent., it would add 3 cents a ton for Illinois on "mine run" coal, 5 cents a ton for other States on screened coal, and 14 cents a day for day laborers. Francis L. Robbins, president of the Pittsburg Coal Company, urged acceptance of the miners' compromise offer, but the other operators are reported to have replied to him, "We won't yield an inch."