

Presidency from a convention that would load down his campaign with men of the Sullivanic type.

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Roosevelt's Campaign Document.

On labor questions, Mr. Roosevelt's Macedonian cry to the voters speaks volumes for his self-restraint, he being an honorary member of a trade union; on the tariff question it reads like a tract of the Protective Tariff League revised by Mr. Bunsby.

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The Radical Democracy.

Radical literature is finding its way into strange places when the Bankers' Magazine makes way for a professor of economics to assert that great fortunes are a menace to American institutions and radically to explain why it is. This is what the Bankers' Magazine has done, however, for F. Spencer Baldwin of the Boston University. As a rule, professors of economics are apt to scatter in their minds; but Prof. Baldwin appears to have kept his mind centered upon the true issue and to have grasped it by the throat. He is not enamored of the present puerile notions of hitting big fortunes with a feather. He sees that the logical path lies in the direction of preventing the accumulation of these fortunes otherwise than by rendering proportionate service to society, and that this necessitates the abolition of special privileges in all the resources which enable individuals and corporations to exploit the public. Prof. Baldwin may be saying more than he realizes when he says that. For if all legal privileges which enable individuals and corporations to exploit the public were abolished, we should see the abolition of some things that this Boston professor may not have taken into the account. But he is expressing sound doctrine, whether he realizes its full import or not.

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The Source of Power of the Trust.

The Iron Age, greatest among all the monopolistic trade papers, makes a notable confession when in its issue of the 9th, writing on steel trust corporations, it says that "the common thinking which makes blast furnaces and steel works the chief representatives of values needs to be reversed." Greater than all other advantages "on which the prospectuses laid stress," according to the Age, "is the asset of mineral wealth." This is the view The Public has long been urging. Not upon their machinery do great trusts rest, nor in that does their power lie; machinery can be reproduced too

easily, if labor has ready access to raw material. The real basis and power of a great trust is in the land it monopolizes—mineral deposits for steel trusts, terminal locations for railroad trusts, and so on down to a sugar trust, a salt trust, a lumber trust, or a building trust.

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An Astute Observer.

Mayor McClellan, who has charged himself with the duty of guarding corporation interests in the traction systems of New York, has investigated the municipalized systems of Germany and found them no good. But he does not explain why European cities persist in following the bad example of those that have municipalized this function. Possibly it is because they have not yet learned how good and how pleasant a thing it is for cities to be Belmonted as New York has been. Mayor McClellan should have told the Germans about it.

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A Successful Government Telegraph.

The Alaska telegraph and cable lines, owned by the United States government and operated by the United States signal corps, are reported to have made \$26,117.95 in the month of July last in commercial service. They are operated primarily for military and other governmental purposes. It is only incidentally that they are utilized for commercial purposes. Yet in that one month they have earned a quarter as much as the most optimistic predicted their possible earnings for a whole year, when they were installed. Would private operation of this public business have resulted as favorably to the public?

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Farmers and Taxation.

After many years of experience with the fiscal theory of trying to tax everything in sight, and as much of value that isn't in sight as can be got at, the tax commission of California has tentatively decided to recommend an improvement upon this mediaeval method of obtaining public revenues. Finding that personal property cannot be fairly taxed, it proposes to abolish such taxation; and as another step forward it recommends separating State from local taxation, and leaving all localities free to select their own taxable subjects. One most interesting fact which this commission has discovered is that the farmers in California have been paying the equivalent of an income tax of ten per cent., whereas manufacturers have been paying only about two per cent. of their incomes. This

is a valuable commentary on the general property tax. Farmers seem very anxious to retain this tax; but when they awake to realities, they will not be so anxious, we suspect, to tax either personal property or landed improvements. They will thereafter be more disposed, probably, to advocate exemptions of improvements and personal property, and to put all taxes on land by a value measurement. Taking the farmers of the whole United States, it is probable that while they pay considerably more than one-half of all the taxes that are paid, probably not less than 60 or 70 per cent. of all taxes, yet they own less than ten per cent. of all the land values of the country. But because the area of land which they own is so much larger than the area owned by other interests, these poor dupes imagine that a tax on land values would bear most heavily upon them. It would be interesting to hear them, or any of the persons who dupe them in this way, explain how a tax that would fall exclusively upon the value of a kind of property of which they own only one-tenth, could be prejudicial to their interests as compared with present taxes which fall upon them to the extent of six or seven-tenths.

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THE MAIL ORDER BUSINESS.*

About ten years ago the retail trade, as well in America as in Europe, was greatly disturbed over the introduction of a new departure in retail business, the department store. The small retailer, finding that his old time methods were not capable of competing with the labor-saving organization of the department store, considered himself entitled to protection against the new system, and demanded in many cases that legislation should step in, and new taxes be imposed, in order to check the growth of institutions which were, in fact, nothing but the outcome of a well-developed industrial and mercantile capability.

Such efforts, however, were futile. The department store proved to be a step in business progress, and had come to stay. To-day the agitation against the department store is not heard of any more; the fact, not only of its right to exist, but also of its important services, is realized.

At the present time, however, the small retailer as well as the department stores both meet with a new competitor, the mail order house. The same agitation which once turned against the depart-

ment stores is now applied to this line of business, and the very same arguments are used. It seems as if the prevailing idea is that every established trade or profession possesses a monopoly in its particular line, and that every proposition to perform a certain kind of work in a cheaper, simpler, or better way must always be met with opposition, in order to secure the continuation of the existing monopoly of a certain class in a certain field of industrial activity.

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The active phase of the agitation against the mail order houses was entered upon more than two years ago at a conference held at St. Louis by the hardware retailers and jobbers. The retailers, having found that their methods of buying and selling could not secure to them the trade which the mail order houses absorbed, instead of admitting the inferiority of their methods, declared war upon the mail order business. They adopted a committee report which, although well worded and carefully and sympathetically expressing the conditions of their trade, practically said nothing less than that the hardware dealers consider that they have a monopoly on the hardware trade. It belongs to them, and they are at liberty to carry it on by means of any methods convenient. In fact, the report expresses the sentiment that the present methods are practically perfect, and that no one should be permitted to buy or sell hardware by any other methods; and lastly, if anyone attempts to sell hardware in any other manner than by the route of manufacturer-jobber-dealer-consumer, he is to be considered as an enemy to the whole hardware trade, and manufacturers who supply such concerns are to be boycotted by jobbers and dealers alike.

At first it may seem that this resolution is somewhat presumptuous. However, the hardware dealers adopted it purely for self-protection, and however great may be the failure of the dealers to perceive the principles of economic laws, their report contains nothing which is not advanced continually by every defender of monopoly in any conceivable form. It will prove futile for the dealers to try to fight the natural development of the methods of commercial life. But they are no more to blame for trying to fight this development than are protectionists for trying to fight free trade. In both cases it is a one-sided view of things which leads to a one-sided conclusion.

A great impetus has recently been offered to the combination of the war upon mail order business by the reported incorporation of a large Chicago mail order house under the laws of New York

*When referring to mail order business in this article only mercantile houses of business integrity and established reputation are considered. All "get-rich-quick" schemes which have often in the press been termed mail order business, are left entirely out of consideration.