

to expenditures is not so disproportionate. These are the kind of custom houses Mr. Shaw would abolish. Evidently he is not as good a protectionist as he is supposed to be. The principal object of customs houses is not to get revenue. That is only incidental. The principal object is to keep foreign goods out of the country, so that our exports may exceed our imports and a "favorable balance" of trade be thereby maintained. It is in this manner that protectionists save American markets for American producers. Now, a custom house that costs \$350 for every dollar it collects on imports may be serving that purpose as well as any of the others. In fact, if no custom house was able to collect more than one dollar in duties for every \$350 necessarily expended to maintain it, the principal purpose of the protective tariff would be served better than it is now served. Mr. Shaw's reasons for abolishing the kind of custom houses he indicates are utterly invalid—from the protection point of view.

The committee on education and labor, of the Federal Senate, is doubtless in receipt of a large mail just now, burdened with a varied assortment of objections to the eight-hour bill (House bill No. 3076) which has passed the House and is about to be considered by the Senate. It may be useful, therefore, for the committee to know that the objections are inspired by the National Association of Manufacturers, a trade union of employers who are opposed to trade unions among workmen. This organization recently sent out a confidential circular, enumerating 32 objections to the bill; and with the circular it enclosed a letter requesting the recipient to write the Senate committee urging an unfavorable report upon the bill, giving at least two objections—not copying them verbatim from the circular, however, but elaborating them. In this way it is evidently hoped to secure the appearance of "spontaneous" expressions of disapproval which in fact are

perfunctory and made in response to the call of the employers' union. Such expressions have their value, but it is important that the facts about them be known, so that they may not pass in the Senate for more than their value.

Under the title of "The Menace to Economic Independence," the Independent of December 4 has a striking editorial contribution to this subject, which the ruthless march of events is forcing upon public attention more and more. "It seems certain," says the writer, "that before long it will be impossible for any man on his own account to engage in even so simple a business as selling smoking tobacco and cigars, retailing cut flowers, selling newspapers, or even peanuts and bananas on the street corner. Every man who is not a multi-millionaire will be a millionaire's man, dependent upon the good will of a superior for his daily bread. Could there be a more melancholy outcome of our great American attempt to build up a civilization in which every man might be independent and self-respecting?" The editor sees the danger at either end: There will be a great extension of trade union methods. "We shall see," he predicts, "innumerable unions within the salaried class, each striving to bar out competition . . . to maintain a rigorous monopoly of the job." There are many indications that this prediction will come true; for the fact at present is that the so-called salaried classes, including mainly clerks and teachers, are the most dependent and servile portion of any community. We use the latter epithet in no spirit of offense, but rather of pity. Tied to their job, and without the feeling of strength that comes to some extent from organization, they are absolutely helpless, and have only one door of freedom, that is, to quit and sink into one of Ghent's lower strata. In many communities you will find that the wage-earners, to use a distinction that is easily understood, are clearly more

independent personally than the salaried-earners. Among the latter one can see far more cringing and a far more manifest bearing of subservience. If you want to see tremulous homage, be present when the superintendent, or the president of a school board comes into a group of teachers. Then see them "process" to the platform, and hear them lead the young voices in singing "Sweet land of liberty," or "The land of the free and the home of the brave!" If any, even a temporary, spirit of independence could come to them and others of the salaried classes from any kind of union, it might be welcomed as a temporary release, even if it should lead to the charge of trying to monopolize the job. But the important work at present is to get the American people to come to a consciousness of the situation of dependence into which all but a very few are being rapidly corralled.

Wall street is in bad plight. Its affairs are on the brink of collapse, and the United States treasury refuses it further help. This refusal is encouraging, but the reason calls for special wonder. Further help is withheld not for the good reason that the government has no business to dabble in Wall street speculations, but for the bad one that the previous aid extended has not lessened the demand for more aid, and that there seems to be no end. "The best posted men in the treasury," writes "Raymond" to the Chicago Tribune (Republican), for which he is the Washington special correspondent—

say the government has simply been pouring money into a rat hole, and there is not the slightest prospect of being able to supply funds enough to meet the extraordinary demands of Wall street any longer. Every dollar which could be spared from the United States treasury has been loaned to the banks without interest, and in a few cases without any too good security. In addition to this the ordinary interest payments have been anticipated for a long time to come. The secretary of the treasury has gone to the danger line in the matter of purchasing bonds, and has submitted to rank extortion and paid extraordinary premiums merely that the government should do

everything in its power to prevent a threatened panic. Every bond bought takes away from the banks just so much basis for circulation, so there is no benefit to be derived from any bond purchases. In spite of this condition of affairs the appeals from Wall street have become more and more urgent, etc., etc., etc.

What right had the administration to pour public money into a Wall street rat hole? What right had it to lend the banks without interest public money on which it is paying interest? What right had it to risk public funds "without any too good security?" What right had the secretary of the treasury to "go to the danger line," and submit to "rank extortion," and to pay "extraordinary premiums" for government bonds before they were due, all to prevent a "threatened panic" in the nest of Wall street gamblers? Does anybody know?

"As prosperity increases, the hardships of poverty increase proportionally. "This is the paradoxical form in which the superintendent of the Chicago bureau of charities sums up the situation in Chicago. It sounds a little like saying that "as the cold increases the ice melts proportionally," or "as the heat increases the vegetation freezes proportionally," or "as a tree grows it becomes smaller proportionally." One might suppose that as prosperity increases the hardships of poverty would proportionally diminish. But the prosperity we are having is not of that kind. As the Chicago charity superintendent observes, "prosperity raises prices but does not raise wages of washerwomen and scrubwomen and day laborers." He seems to be what you might call a "calamity howler." To talk in that way is almost reckless. What if Prosperity should take offense!

"I was taught to believe in nothing worse than burning brimstone," protested the coal operator.

"Oh, they all say that," muttered the demon, as he gave the man a number and showed him the company store where he could run everlastingly into debt.

G. T. E.

ROYAL DEBT COLLECTORS.

Ostensibly, the war which the king of Great Britain and the emperor of Germany are making upon the republic of Venezuela, is for the collection of debts alleged to be due from Venezuela to certain influential persons or classes among the subjects of those potentates. Though other claims are referred to, they are indefinite and shadowy. The obtrusive claim is the debt claim; and this is the one which has secured for Great Britain and Germany the approval of the United States (through the Roosevelt administration) of their joint naval demonstration in the waters of Venezuela.

"The right of all nations to collect their debts is recognized by all governments." Such is the substance of the utterances regarding that demonstration which emanate from Washington. Upon this basis Great Britain and Germany have been encouraged by the Washington authorities to proceed; and for this reason, primarily, the war to the south of us has been precipitated.

But when and how, it may, with peculiar propriety, be asked, did this debt-collecting prerogative of nations come to be a recognized feature of international law? That it is something quite new is obvious to every American who has even so much as a superficial knowledge of the history of his own country.

As late as 1852 the State of Mississippi repudiated part of her public debt. Her statesmen had put her into the banking business during the flush times by selling State bonds for the purpose of raising capital for the Planters' bank. This institution flourished for awhile and then went to wrack and ruin; whereupon the people themselves, by popular vote at the presidential election of 1852, repudiated those bonds.

Although they were held in other States and in other countries, no attempt was made to collect them, either by other States through the courts of the United States or by other countries by means of naval demonstrations.

The reason is not far to seek. Down to that time, at least, the sovereignty of States and nations was under-

stood to include the right to repudiate their public debts, no matter who the creditors might be. It was esteemed dishonorable and impolitic, but no one disputed the legal right nor dreamed that international law recognized the propriety of collecting them by force.

That is the reason, doubtless, why Sydney Smith appealed only to the American sense of honor when Pennsylvania set the example in the early 40's which Mississippi followed in the early 50's.

Sydney Smith was not the only foreigner, nor the only Englishman, who had burned his fingers with the Pennsylvania bonds upon which the State defaulted. Large numbers of English families suffered, and if this indignant wit is to be believed, in every grammar school in Europe "ad Graecas calendas" was translated "American dividends."

But neither he nor any of his fellow sufferers appealed to their respective governments to send a fleet up the Delaware river and seize the Philadelphia tax office.

They knew it would be useless. For all governments then recognized the sovereign right of every nation to repudiate its debts if it wished to, and Pennsylvania was a sovereign nation in that respect. Whatever its moral duty in the matter may have been, its legal right to repudiate was unquestioned.

Sydney Smith's excoriation of the Pennsylvania defaulters is interesting reading at this time, when the British king is out in couples with the German emperor, collecting a Venezuelan debt with guns. If the repudiation had been a result of war, produced by the aggression of powerful enemies; or if it had resulted from civil discord; or if it had been due to improvident investments made in the early years of self-government; or if the State had been poor—then every friend, wrote Sydney Smith, would have been contented to wait for better times. But, he went on, "the fraud is committed in the profound peace of Pennsylvania, by the richest State in the Union, after the wise investment of the borrowed money in roads and canals of which