

methods of taxation such a reform would only affect land values, causing some landowners to lose their power of levying tribute and others to gain it. Broadly speaking, and in the long run, this is incontestably true. It may therefore be a good reason for an elementary reform in the distribution of land values. But it is no reason at all for not reforming the railroad system.

### CONQUERING FEAR.

A suggestive contribution to the April *Cosmopolitan* is Speaker Reed's essay on "The Conquest of Fear." Mr. Reed points to the great triumphs of the human race in annihilating time and space, in improving medicine and surgery, and in promoting the accumulation and developing the possibilities of a more equal distribution of wealth. But he says that if he were to select the greatest triumph of all, it would be "our victory over the fear of the unknown and undiscovered, over demons and witches and all the false gods which mock when our fear cometh."

He then graphically pictures the state of perpetual apprehension in which our ancestors, both within and beyond historic ken, lived out their lives. In brilliant rhetoric he here describes the every-day strain, comparable only to the strain of battle, which they must have been under while during all the day their main object of thought was the preservation of their lives from real dangers and their lives and souls from dangers imaginary. Instead of recognizing natural law, they recognized in everything "a god to be propitiated or a devil to be appeased."

Over this dread, says Mr. Reed, man has triumphed. Though the victory be even yet won for less than a third of the race, the vanguard of civilization, fighting "through unknown centuries and amid tears and terrors," has conquered fear.

But is it so certain that the vanguard of civilization has conquered even the kind of fear that Mr. Reed considers? Gods are still propitiated and devils appeased. Not only do vulgar superstitions prevail to a laughable degree, but in the very van of the vanguard of civilization are those, and they are not few, who are governed in the most important actions of their lives by superstitious fear. Even in the chief places of our civilization there are men and women who worship God not from love, but

from fear of hell fire. What is that but devil worship? How does it differ from propitiating gods and appeasing devils?

Beyond this kind of fear, however, is a fear of which Mr. Reed makes no account—a terror that has largely taken the place of primitive superstition. This new fear is the cause of perpetual apprehension, on the part both of those who have and of those who have not conquered superstitious fear; and it is becoming more and more widespread and intense. Our ancestors who dreaded the "unknown and undiscovered," who inferred from every new mystery of nature a new god to be propitiated or a new devil to be appeased, had no fear of society, of that social organism—that Greater Leviathan, as Henry George called it—which is vaguely spoken of now-a-days as the community. But dread of this is the great fear of our time.

Primitive man could not contend with the powers of nature. They were mysteries to him, and so he feared them. But primitive men could contend with one another, and man had no fear of man. Nor had he any of society. In his time, such social forces as he felt at all touched him through the strong arm of social agents or dictators—men like himself. He could understand that, and did not fear it in the sense in which he feared natural phenomena. As there was nothing subtle nor mysterious in social manifestations, they did not excite his fear. What he feared was the mysterious. So before the mysteries of nature he quailed at the thought of god and devils. To-day man is the same. He, too, dreads the mysterious. Consequently he is in a similar state of fear; not toward nature, though, but toward society.

He finds himself in society, a part of society, dependent upon society and society upon him, yet—be he rich or poor—in constant dread of being mysteriously crushed by society. Nothing is more inexplicable to modern man than the fact that want and fear of want, the degradations of poverty and crimes which fructify in poverty, follow in the wake of the material advances which society makes, of the very advances which Mr. Reed describes. It is as mysterious and dreadful to them, as fearful in its possibilities to themselves if they are thoughtful, as were swiftly flowing rivers and mountain torrents to Mr. Reed's prehistoric savage who knew nothing of hy-

draulics. And because it is mysterious and therefore uncontrollable, it excites his fear much as our naked and houseless ancestors, skulking home at nightfall, were inspired with fear by the voiceful sighing of the wind among the trees. But just as man has conquered the kind of fear of which Mr. Reed writes, by probing its mysteries and discovering in them only manifestations of beneficent law, so he will learn to conquer his fear of the social organism. Its mysteries, also, even in their most terrible forms of poverty, business depression and crime, are but manifestations of what in essence and undiverted by human meddling are beneficent social laws.

As man discovers natural physical law, he ceases to fear physical nature. That is the core of Mr. Reed's thought. So, as man discovers social law, will he cease to dread the social organism. For then he will find society to be what he has already found physical nature to be—his very obedient servant. And this discovery will lead him on to perfect his discoveries in spiritual law, having done which he will no longer fear God. All natural laws—physical, social, and spiritual—are beneficent. On every plane, in every realm, we conquer fear as we dissipate mystery.

### FINANCE AND TRANSPORTATION.

A practical solution of the financial and transportation problems, which has the endorsement of Gov. Pingree, of Michigan, who says that it "presents in their true light questions that immediately concern the American people," has been put out by Jay D. Miller, a prominent Chicago lawyer of republican affiliations. Mr. Miller holds that the questions of money and railroad transportation are so far interdependent that if the transportation problem were properly met, both that and the money problem would be thereby solved.

He begins by showing that the railroads of this country are so heavily mortgaged that in interest on bonds alone, in addition to dividends on watered stock, the public pays the full cost of the roads every 20 years. He therefore proposes that the people themselves build railroads as government institutions, paying for them with paper money "based upon the same thing that gold and silver bullion are based upon, to wit, labor"—the labor employed in constructing the roads and in producing materials and supplies. The people would then

own the railroads without having issued an interest bearing obligation; and when the paper money, which Mr. Miller would make a legal tender, had been redeemed in passenger and freight service, or any other government service, the roads would have been paid for once and forever.

On the point of redemption Mr. Miller says: "When the government issues a gold or silver paper certificate, the coin (a concentrated form of labor) against which it was issued, remains stored in the vault; and the holder of the certificate can, if he choose, return it and get the coin (labor). When a dollar of paper money is issued, as herein outlined, the wealth (labor) upon which it is based, is stored in the railroad. The holder of the dollar cannot return it and take the railroad, but he can get a dollar's worth of railroad service (labor). The latter is redemption as much as the former." The same principle is applied by Mr. Miller to telegraph, telephone, pipe line, canal and post office service.

The objection that under this plan paper money might be issued in excess of the actual value of the roads is met by the suggestion that the yearly depreciation of the roads be estimated and provision made for cancelling a proportionate amount of the money. If, for example, a road would last ten years, as ascertained by the experience of practical railroad men, ten per cent. of the issue should be cancelled annually. And as a further safeguard, "in order to keep one dollar at all times as good as any other dollar," the secretary of the treasury should be authorized, with the approval of a majority of the members of the supreme court (not as a court but as individuals), to cancel all or any part of the currency in question when redeemed. Such money, says Mr. Miller, "will be honest as well as sound"—"will always be good and at par."

This outline of his solution of the financial and transportation problems, Mr. Miller fills in with liberal quotations in support of his position, in one respect or another, from railroad experts and political economists; and also with a somewhat minute examination, upon the basis of expert authority, into the monopoly features of transportation under private control. One or two of these elaborated points are especially worthy of consideration.

Answering the familiar objection to public ownership of transportation

facilities, that government management, as exemplified by the postal service, is wasteful, he shows that this charge against the post office is justified only by the corrupt power which private railroad monopolies exert. Whereas express companies carry parcels from shipper to consignee, 1,000 miles at the rate of three dollars a hundred pounds, the railroad monopolies tax the post office eight dollars a hundred pounds for an average of less than 450 miles, in addition to exacting for postal cars a rental of more than enough each year to build the cars. This is the explanation of the deficit in our postal service,—a fact which argues not against but in favor of public ownership of transportation facilities.

Another point of peculiar interest and importance which Mr. Miller develops at length, is the fact, not generally known outside of railroad circles, that distance is a minor element in the cost of transportation. In support of this point reference is made to street car service. Within certain extended limits the same fare for that service is universally charged, regardless of the distance of the ride. Reference is made also to the zone system in Hungary, under which a ticket purchased in a particular zone carries the passenger to any station within that zone, regardless of distance. On the same point the experience of the Chicago & Northern Pacific is invoked. It seems that this road fixed its passenger fare to any point between Chicago and Blue Island—about 17 miles—at five cents, with the effect of increasing the revenue. The reduction of rates so stimulated travel that a larger income was earned with a given expenditure for cost of service. Accordingly, in harmony with the recommendations of James L. Cowles—whose recent work on "A General Freight and Passenger Post," Prof. James commends as giving "the best account of the movement for a reform in our freight and passenger tariff policy, and the best arguments in its behalf which have yet been given in English"—Mr. Miller proposes basing rates upon the character of accommodation, without regard to distance. He would charge so much, that is to say, for passengers on local trains, so much more on express trains, so much more than that on fast trains; and for freight, so much if it requires shelter, so much less if it does not require shelter, and so on. Under such a system of rates, with government ownership, it is

argued that our "railroads would produce a greater revenue than under the present exorbitant charges and system of secret favoritism."

Mr. Miller's little book, buttressed as its arguments are with an abundance of facts marshalled lawyer fashion, will prove a revelation to those who have given inadequate consideration to the railroad problem. It is an intellectual mine in connection with the railroad problem which all sides to the controversy will find it profitable to explore. Copies of it may be had of Jay D. Miller's Sons, Oak Park, Ill.

#### WAR REVENUES.

While the congressional committees on foreign affairs have been before the public eye with their warlike resolutions, the committee on ways and means of the lower house has been quietly at work in the background planning a measure for raising war revenues. Judging from the details that have leaked out, these measures are to be so contrived as to compel the classes who are to do the fighting to do the paying also, while enabling other classes to get back with a profit all that they may put into the war.

From an increase in the internal revenue tax on beer an annual addition to the revenue is expected, amounting to \$35,000,000. From an increase in the tax on tobacco, the additional revenue expected is \$33,000,000. A bank check tax is counted on for some millions more. Tea and coffee also are to be heavily taxed. From these and similar sources an extra income of over \$100,000,000 is looked for. Then, to make the war department easy at once, it is proposed to issue \$500,000,000 in bonds, redeemable in gold value money. Let us consider these propositions.

Who would pay the beer tax? Those who advocate it, intimate that it would be paid by the brewers. If that were true, the tax would be utterly indefensible upon its face. While a tax upon brewers for the purpose of discouraging their business as detrimental to the community might be justified as a police measure, no extraordinary tax upon them can be justified as a revenue measure. They receive no particular benefits from society; their income is freely paid to them by their customers; no privileges are conferred upon them by the community. They are therefore entitled to be as free from arbitrary exactions as any other business class. But in fact the brewers would not pay the