

been issued by the war department for two regiments of infantry, with field battery equipment, to hold themselves in readiness to proceed immediately to Nicaragua. [See current volume, page 829].



Charges are being made by various newspaper writers to the effect that the successive revolutionary movements in Nicaragua during the last few years have been aided or thwarted by the United States government in the interest of American concessionaries. The present revolution is anti-American in character; nevertheless it has been charged that American interests, dissatisfied with the government in power, have financed it in the hope of precipitating American intervention and forcing the ratification of the agreement for the fiscal administration of Nicaragua entered into by the American secretary of state and the Nicaraguan government.



Subcommittees of the United States Senate committee on foreign relations are to visit Nicaragua, Honduras and Mexico during the next few weeks for the purpose of determining, according to John Callan O'Laughlin in the Chicago Tribune—

Whether the American government or American citizens are behind the unrest prevailing in the Republics named.

Whether this government should enter into the agreements negotiated by Secretary of State Knox, establishing financial protectorates over Nicaragua and Honduras.

Whether the policy observed by the Taft administration toward Mexico is in the interest of the good relations of the United States and its sister Republic.

What kind of broad policy shall be observed toward the countries between the Rio Grande and the canal zone which will assure peace and stability, adequately protect American interests and prevent foreign complications.

The subcommittee to visit Nicaragua consists of Senators Lodge of Massachusetts, Sutherland of Utah, Burton of Ohio, Bacon of Georgia, and Clark of Arkansas. Mexico is to be investigated by a subcommittee comprising Senators Smith of Michigan, McCumber of North Dakota, Borah of Idaho, Shively of Indiana, and Hitchcock of Nebraska. None of the senators named have ever been in Mexico or Central America, which is regarded as likely to promote an unbiased investigation. The same correspondent states further that—

The Senate has not looked kindly upon the policy of the state department with reference to Nicaragua and Honduras. A year and a half ago Mr. Knox signed a treaty with the minister of Honduras, and six months later a treaty with the minister of Nicaragua, under which this government agreed to aid the countries named in making a loan for the re-

funding of their debts, those countries consenting to an administration of their customs like that which has been conducted so successfully in the Republic of Santo Domingo. Unfortunately, the treaties were so drawn as to be open to charges that the state department was serving as the agent of Wall street. A contract was made between the Honduras government and a group of New York bankers, headed by J. Pierpont Morgan & Co., which, it was alleged, was less in the interest of the Central American Republic than in that of the American financiers. Moreover, the treaty with Honduras placed in the hands of these financiers the selection of the collector-general of customs and practically bound the United States to back him up. The same consideration was shown whatever bankers undertook the Nicaraguan loan. Several members of the Senate foreign relations committee promptly announced they would not permit the ratification of such treaties. The result was that the consideration of these instruments has been indefinitely postponed. The investigation by the Senate subcommittee may result in a decision to modify the treaties, and if the modification be acceptable to Nicaragua and Honduras, to ratify them. But what the Senate wants above everything is to develop a broad policy under which Mexico and Central America may have peace and orderly development. This is essential to the United States, because foreign governments look to this country to protect their interests.

[See current volume, pages 63, 804.]



#### Land Value Taxation Propaganda in China.

In a late issue of the Peking Daily News appeared the following letter from Dr. W. E. Macklin of Nanking:

One of the most urgent things to be done in China now is the prevention of famine. To prevent the floods of the Hwai River valley will cost maybe 100,000,000 taels.

Where is this money to come from? It is a good rule to go by, not to borrow unless there are resources with which to pay back the debt. Lands in the Hwai Valley are worth from \$2 to \$40 a mow. Lands in which there is no danger of floods are worth, say, \$40 a mow. Lands subject every year or two to floods may be worth from \$2 to \$10 a mow. If we borrow capital and dig a canal to the sea we make this \$2 to \$10 land worth maybe \$40. This will be a gift to the land owners. We should, therefore, take a list of sales of land before and after the digging of the canal. The increase in value will show how much advantage the land owners have received. By taxing this unearned increment the landlords will not be hurt, and yet there will be an abundant revenue to pay back the debt.

Famine relief is very much improved in method in the past few years.

First, great sums of money were collected from Chinese and foreigners and doled out to the famine sufferers. This was a great source of profit to the rice dealers, as the increased demand for rice raised the price. Then food stuffs were sent up to the famine region. This, of course, lowered the price of

grain and hurt the rice dealers. Both methods tended to pauperize and degrade the people.

It has been found in the last year that a better method was to send grain and pay the starving people for work done in digging ditches and making dikes. This work improved the land and tended to prevent flooding—a permanent benefit.

Unfortunately the benefit goes to the land owners who are thus able to get a greater rent for the land. The land owners should be taxed to pay for all improvements of their land. Famine relief should not be in any sense a charity work, but a business proposition.

Every improvement, as dikes, ditches and canals, raises the value of the land. This increased value can be taxed to pay for the improvement.

[See current volume, pages 110, 297, 830.]

## NEWS NOTES

—Clarence S. Darrow's trial on another charge of jury bribery was set on the 27th for October 21st. [See current volume, page 830.]

—A commission form of government, including the Initiative and Referendum, was adopted at a special election in New Orleans on the 28th by 23,000 for, to 2,119 against. New Orleans is the largest city in the United States to adopt the commission form. [See current volume, page 630.]

—General Leonidas Plaza, who refused the provisional Presidency of Ecuador last March, has been inaugurated as President. He retains in office the cabinet of Dr. Francisco A. Marin, who has been acting as President since March. [See current volume, page 255.]

—The statistics of exports and imports of the United States [vol. xiv, p. 831; current volume, page 567] for the year ending June 30, 1912, as given by the statistical sheet of the Department of Commerce and Labor for June, were as follows:

	Exports.	Imports.	Balance.
Merchandise	\$2,204,222,088	\$1,653,426,174	\$550,795,914 exp
Gold	57,306,348	48,936,500	8,369,848 exp.
Silver	64,890,415	47,050,219	17,840,196 exp.

Total	\$2,326,418,851	\$1,749,412,893	\$577,005,958 exp.
1911, total balance (vol. xiv, p. 831)			488,421,658 exp
1910, total balance (vol. xiii, p. 709)			272,404,326 exp.
1909, total balance (vol. xii, p. 758)			410,383,527 exp.
1908, total balance (vol. xi, p. 638)			603,942,615 exp
1907, total balance (vol. x, p. 469)			397,183,715 exp
1906, total balance (vol. ix, p. 374)			480,941,163 exp.
1905, total balance (vol. viii, p. 249)			461,329,924 exp.
1904, total balance (vol. vii, p. 248)			474,333,007 exp.
1903, total balance (vol. vii, p. 248)			416,617,778 exp.
1902, total balance (vol. vii, p. 248)			496,446,285 exp.
1901, total balance (vol. vii, p. 248)			671,458,818 exp.
1900, total balance (vol. vii, p. 248)			571,677,235 exp.
1899, total balance (vol. vii, p. 248)			504,086,295 exp.
1898, total balance (vol. vii, p. 248)			534,624,851 exp.

Total export balance, 1898-1911.....\$7,360,857,150 exp.

Total export balance, 1834-1911.....\$9,983,476,467 exp.

—Henry George, Jr., whose recent illness was exaggerated in press reports, has been renominated for Congress by the Democratic party and the Inde-

pendence League, from the Twenty-first District of New York. [See vol. xiii, pp. 1092, 1095; current volume, pages 819, 827.]

—Samuel Coleridge-Taylor, the musical composer, died in London on the 1st, at the age of 37. The father of Mr. Coleridge-Taylor was a West African, and his mother English. Among his musical works were The Atonement, a sacred cantata; the music to Stephen Phillips' "Nero"; a volume of Negro melodies for the piano; Endymion's Dream, for soli, chorus and orchestra; and the Hiawatha cantata, consisting of three sections of Longfellow's poem, set to music. [See vol. ix, p. 825.]

—The Federal grand jury at Dallas, Texas, returned an indictment on the 29th against prominent representatives of the Standard Oil Company for conspiracy in restraint of trade in violation of the anti-trust laws. It is alleged that the Standard Oil Company, the Magnolia Petroleum Company and individual defendants conspired to destroy the business of the Pierce-Fordyce Oil Association of Texas. Among the individuals indicted is John D. Archbold. The case has been set for trial at the January term of the court.

—The monthly statement of the United States Treasury Department for June, 1912, shows the following for the fiscal year ending June 30, 1912 [vol. xiv, p. 831; current volume, page 443]:

Gold reserve fund	\$150,000,000.00
Available cash	166,263,807.88

Total	\$316,263,807.88
On hand at close of last fiscal year, June 30, 1911	288,200,599.23

Increase for fiscal year ending—

June 30, 1912	\$ 28,063,208.65
ditto, June 30, 1911 (vol. xiv, p. 709)	37,709,815.63
ditto, June 30, 1907 (vol. x, p. 469)	90,494,154.26
ditto, 1906 (vol. ix, p. 373)	35,896,690.38
ditto, 1903 (vol. vi, p. 215)	25,820,159.73
ditto, 1902 (vol. v, p. 218)	31,740,991.83
ditto, 1901 (vol. iv, p. 218)	21,127,470.14
ditto, 1900 (vol. iii, p. 218)	24,325,186.05

Total increase for fiscal years

1900-01-02-03-06-07-11-12	\$295,177,676.67
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Decrease for fiscal year ending—

June 30, 1910	\$ 23,963,057.46
ditto, 1909 (vol. xii, p. 758)	115,104,151.91
ditto, 1908 (vol. xi, p. 371)	29,023,444.35
ditto, 1905 (vol. viii, p. 250)	26,537,180.18
ditto, 1904 (vol. vii, p. 248)	65,367,033.19

Total decrease for fiscal years 1904-05-08-

09-10	259,994,867.09
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Net increase from June 30, 1900, to June 30,

1912	\$ 35,182,809.58
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—As reported by the Cleveland Press of the 26th, the Tom L. Johnson memorial fund has reached a total of \$17,286.98. The Press turned over to Treasurer F. H. Goff of the Memorial Fund on the 24th a check for \$5,516.51—proceeds from the Memorial Day observance, and previous contributions had amounted to \$11,770.47. The Press announces that the Memorial Fund committee will meet early in September "to determine the nature of the memorial which shall be a tribute by the common people of the city to the memory of the Mayor who