

"go to Republican papers;" but "only so long as they" continue to be conducted "properly in accordance with Republican principles." A Republican paper that has "published an editorial in which the good faith of Secretary Ballinger, Senator H—— and" the Senatorial nephew is "questioned," is not entitled to public advertisements; and so, with reference to "the contest in the House of Representatives" over the autocratic rules question, of "an editorial attacking Cannon." But if "in the future conduct" of such a paper, "these political acrobatics are eliminated," the matter will be reconsidered and the repentant paper be accorded "full consideration." Could the spoils spirit of the Standpatter be better expressed? Mr. Taft would not express it in such direct and simple terms, but he doesn't need to; his actions are sometimes plainer than his plainest words.

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Automobile Prosperity.

The automobile habit which the average Kansas farmer has contracted, and which has done faithful service—lo, these many moons—as evidence of agricultural prosperity, is now explained with little or no reference to the prosperity question. The explanation comes in the form of a news item from Kansas City, Mo., which states that—

the bankers of Kansas City and of the southwest dependent on Kansas City have agreed to lend no money to anyone who intends to use the cash for the purchase of a motor car. This boycott is brought about, the bankers say, by the extravagance of the country in the purchase of automobiles. Thirty-two million dollars were invested in motor cars in the last year in Kansas. One million dollars may be added to this to keep these motor cars in repair for the same twelve months. "We'll have no more of it," say the cash holders. "If this thing keeps up there's no telling what condition the finances of the country will be in a year from now." One Kansas City banker stated to-day that his safe contained fifty-two real estate mortgages, the money for which he knew went for the purchase of automobiles.

It is crops of farm mortgages then, instead of profitable produce, that Kansas farmers have prospered on! Will the jaunty prosperity makers at Washington continue to claim credit when foreclosures set in?

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Progress Through Tax Exemptions.

An interesting comparison of two cities, with reference to the effect of different taxation methods, is made by J. J. Pastoriza, of Houston. The cities are Houston and Mobile. As a citizen of Houston, Mr. Pastoriza might be suspected of

falling under the influence of a spirit of local patriotism; but he proves his case with facts. The taxation policy of Mobile eases the burden upon the value of building sites and casts it upon industry, whereas that of Houston casts it upon the value of building sites and eases it upon industry. To be more explicit, Mobile allows her old real estate taxes to stand, falling back upon business or vocation license taxes for additional needs for city revenue; whereas Houston, following the wise suggestion of a former city attorney, H. F. Ring, not only imposes no vocation license taxes, but assesses real estate improvement values low and land values high. These opposite policies have had the natural effect of encouraging business enterprise in Houston and discouraging it in Mobile. Consequently, although Mobile was settled 200 years ago and Houston only 70, and Houston has no natural advantage over Mobile, the population of the latter is only 70,000, while that of the former is 100,000, and building has almost ceased in Mobile while Houston is prospering. As Mr. Pastoriza explains, "Houston's policy of taxing land heavily has not driven land out of the city, from the simple fact that land cannot be moved; Mobile has taxed business heavily and land lightly, with the result that business has ceased to increase and buildings have ceased to multiply."

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The policy in Houston is, as will be observed, what may rightly be called "the Canadian plan." This plan has been very effective in western Canada. It appears to have begun early in the Province of British Columbia, where in several municipalities the fiscal custom has long prevailed of valuing improvements at a fraction of market value and land at full value. The extreme of "the Canadian plan" has recently been reached in the city of Vancouver (p. 444), which began by valuing land at 100 per cent and improvements at 75 per cent of market value, then reduced improvements to 50 per cent, then to 25, and finally to zero. The final basis—100 per cent for land and zero for improvements—was reached last spring, and its result, so similar to that of Houston as described by Mr. Pastoriza, is thus described by ex-Alderman John Macmillan (p. 473), one of the leaders in the Vancouver reform: "We are having the greatest building activity in the history of the city, but a pronounced lull in speculation in real estate. I am asked every day by real estate dealers: 'What is the matter—so much building but people afraid to buy lots unless they want to build?' As yet the speculators do not

see that the effect of the single tax is to kill speculation and promote improvement. After a while they will see this, and then will come a struggle by the speculative element to repeal the law. Just now even opponents of the single tax are delighted to find that they are not taxed on their homes, lawns and shrubbery, and that the unkempt vacant lot next to theirs (which they had wished to buy, but found the price put up a notch or two every time they tried), pays as much taxes as theirs with its improvements."

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Protection Prosperity.

Our English brethren whose memory or reading does not go back to the "hungry forties" of British protection, and are therefore easy dupes of plutocratic employers and politicians who plead for a revival of British protection under the name of "tariff reform," might find food for thought in the report just issued, of a special committee of the Social Service Commission of the Federal Council of the Churches of Christ in America.

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This committee consists of the Rev. Charles Stelzle, chairman, and the Rev. Josiah Strong and Paul U. Kellogg,—all of high standing and wide fame in this country. It was appointed to investigate a labor strike at the South Bethlehem steel works (p. 254), part of the steel trust, which is one of our highly protected interests. The special occasion for its appointment was the fact that a question of Sabbath observance was involved in that strike. It is evident from the lengthy report that a thorough and impartial investigation was made.

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The strike appears from the report to have originated in a demand by the workmen for abolition of unnecessary Sunday work, but to have extended as it progressed, to demands also for higher wages and a shorter work day. Not only is Sunday work mercilessly exacted of more than a quarter of the workmen, but the work day for more than half is 12 hours long, and the tendency with the rest is steadily toward that inhuman limit. When the 54-hours a week workmen of "free trade" England incline to listen to the siren song of British protectionists who call themselves "tariff reformers," let it be remembered that at South Bethlehem, Pennsylvania, in "protected" America, the workmen in one of the best protected of all our industries, have to work from 70 to 80 hours a week. And let it be noted that for this

killing pace, they are paid on a scale of wages which, though it may "look good" in money terms to British workmen, "leaves no option," according to this church report, "to the common laborers but the boarding-boss method of living, with many men to the room," and that under it "American standards are impossible."

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Another American document that should interest the British workman who wants Great Britain to return to protection for the sake of the British workingman, is a recent report by the Department of Labor and Commerce, on wages in Germany. This report of the protection officials of a protection country, upon wages in another protection country, both countries having wildly boasted of their prosperity under protection, shows that on an average the workmen of Germany do not get wages enough to cover the cost of living. Although their average income is as high as \$521.72 a year, their necessary living expenses average \$531.70—making a deficit of \$9.98.

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All of which goes to show from experience that however advantageous protective tariffs may be for some employers, they fall upon workingmen as a heavy burden.

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Tax Reform in Michigan.

An elaborate leading editorial on taxes in Michigan, which appeared in the Grand Rapids Herald on the 6th of June, although suffering from intellectual wanderlust, makes an excellent suggestion. In its wanderings the article refers to the ore mines of the Upper Peninsula and the salt mines of the Saginaw valley, apparently approving a proposition that the product be taxed by tonnage. This seems to be the demand of the farmers' organization. But evidently such a tax would become part of the cost of production and tend to increase prices and to obstruct industries affected by the cost of producing ore and salt. The true kind of tax is ad valorem, and the true place for it is not upon the product but upon the mines whether they are used or not. It is urged that an ad valorem assessment of the mines is impossible. This is a pretense. Any mines that are capitalized and have stocks and bonds on the market can be valued. Even if not so capitalized, the physical property can be appraised. There is never any difficulty in valuing property except when the owners are politically powerful and want to sidestep their obligations. But passing from that