

United States. In fact, however, it is evidence of increasing tribute—tribute in the nature of ground rent, which the industries of the United States are paying to European investors for permission to use the American continent.

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Think it over. Admit that our "favorable balance" this year will indeed turn out to be \$800,000,000, and what would it mean? On its face, it would mean that producers working in the United States had sent abroad \$800,000,000 of goods in excess of what had been brought over here in exchange from abroad. This is the "favorable balance." Why? Because those producers have the right to draw against that balance. Then why don't they do it? For the same reason that the tenant farmer didn't. The "favorable balance" is already used up in paying tribute in the form of ground rents, mineral-deposit royalties, railroad ground-rents, etc. Our producers get back none of this \$800,000,000 balance, because it is absorbed in profits upon European investments in American monopolies.

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An untold amount in addition is absorbed as profits on American investments in those same monopolies; but this doesn't count as a "favorable balance" with the statistical sinners, because it "stays at home." Yet it is the same thing to the plundered producers—an outgo with no corresponding income.

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"Ah, but," some one explains as to the foreign balance, "it comes back in gold." No, it doesn't; nor in silver, either. If it did, the "favorable balance" would be smaller to the extent of the gold or the silver payments; but if you compare the imports with the exports of gold and silver, you will find the "favorable balance" larger instead of smaller. "What about American expenditures abroad, then, and freightage charges by foreign bottoms," etc., etc.? They would make some reduction it is true, but not much—possibly 200 or 300 millions; and this would still leave tribute to the amount of \$500,000,000 for the year. It is the American land-bottoms rather than foreign ship-bottoms that account for the balance. Have we overlooked the item of original investments? Not at all. They have been wiped out by "favorable balances." The "favorable balance" runs up into the hundreds upon hundreds of millions, over a period of 75 years; and in very few if any of those years has the balance been the other way,

and then only slightly. The "favorable balance" has been so great all along, that it leaves little sign of any substantial investments having been made at any time. Most of the "favorable balance" is payment for "dead dog." But isn't there another explanation? Isn't the amount of the balance padded by protected manufacturers who ship goods to Europe at home prices nominally, but at enormous discounts actually? Doubtless. But if your statistical sinners fall back upon that explanation, what becomes of their "favorable balance"? They would be like the tenant farmer if he had lied about the magnitude of his boasted shipments to town. Their balance, whether called "favorable" or not, would then be nothing but "hot air."

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So all this bragging about our permanent and growing "favorable balance" of exports over imports, is either a collection of false or padded figures, or a record of tribute to foreign investors who never invested much in what they are now profiting by. Perhaps we can't help it; possibly we ought not to try, nor to wish to. But why brag about a lost pocketbook as if it were a wind-fall? Why exploit a repayment that cancels no debt but flows on like Tennyson's brook forever, gathering volume as it flows? Why boast of a loss as if it were a profit? Let us be cheerful, of course, but why be jubilant?

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### Reciprocity with Canada.

Regarding President Taft's reciprocity agreement with Canada, Senator Cummins took significant ground in his speech before the Grant Club at Des Moines a few days before the assembling of Congress in special session. Declaring himself in favor of reciprocity with Canada, he criticised the Taft agreement for its lopsidedness, and his criticisms were on solid ground. He went beyond criticism, however, promising that he will "insist that the American farmer be given the benefit of free trade with Canada in the chief things that he must buy, at the same time and in the same instrument that imposes upon him free trade in the things he produces for sale." In that promise Senator Cummins is also on solid ground—but only in part. He is on solid ground in demanding free trade with Canada in the chief things American farmers must buy. His ground would have been more solid had he said "*all* things" instead of "*chief* things," and still more solid had he explained to the farmers—those that "farm farms" as distinguished from those that "farm farmers"—that the

free trade he demands for them can be achieved regardless of international agreement. If our government makes American farmers trade-free to buy what they want of Canadian producers, the Canadian government will be forced by home influences to make Canadians trade-free to buy what they want of American farmers. And therein is the value, the only value probably, of President Taft's reciprocity agreement. Adopt it, and the whole plundering protection system which separates this country from Canada in the interest of monopolists in both countries will crumble as surely as a Holland dyke would if so much as a pin stream were allowed to run through.

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### Good Politics.

"Say nothing, but say it strenuously." Guess who's been through our town.

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### An Iniquitous Doctrine.

In the third of our series of letters from China, in *The Public* of April 7, there is at page 319 a brief but pointed reference to the continued imposition by the British government upon the Chinese of the opium evil. That opium story, long and sad and devilish, discloses in simplest form the utter wickedness of the doctrine of "vested rights" as opposed to natural rights—to the plain garden variety of "square deal" if you shy at "natural rights." When a wicked source of profit is once recognized by government—the opium trade by the British government, for instance—the doctrine of "vested rights" demands that this source of profit be not cut off by government without full compensation for prospective profits. Consequently, unless the whole people be taxed to compensate a few for their loss of a ghoulish commerce, the ghoulish commerce must continue indefinitely.

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Whether its profits are moral, or secured by laws that foster vice, that sanction slavery, that grind the poor, that exploit workers nominally free, and that honeycomb the land with working children's graves, is all one under the doctrine of "vested rights." Such vice must continue to be fostered, those slaves must continue slaves, the poor must be content to be plundered, workers nominally free must submit to exploitation and think of God as having made them for it, and their babes must be slaughtered—all this, generation after generation in perpetuity, unless at some utopian period human sympathy animates the prosperous strongly and widely enough to win their consent to buying

off the aggressors. Such is the doctrine of "vested rights." Could a more infamous theory of human relationships be invented anywhere outside of hell?

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Property interests, whatever they be, which have no better defense in law or ethics or morals than that doctrine of "vested rights," ought not to survive and cannot survive. With the development of intelligence those interests will have to go, compensation or no compensation. Fathered in the past by able and cunning greed, and mothered by general ignorance, they are maintained today lazily by the unthinking and defiantly by the crooked in thought. With the development of moral and self-defensive intelligence in the mass, they must give place to property interests that depend, not upon the doctrine of vested rights for title, but upon useful work.

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### TOM L. JOHNSON'S PUBLIC SERVICE

The public service of this self-consecrated man whose wasted body has now returned to the earth whence it came, was in its principal features a municipal service. Distinctively, he was "Mayor Tom" of Cleveland.

But the consecration call and his cordial response occurred long before he became Mayor; and from that hour steadily until his death—at a cost, too, that even his most intimate friends may hardly know—public service was his dream of the night, his vision of the day, and the work of his life.

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Tom L. Johnson served the public when he reluctantly resumed the money-making career which his higher call had decided him to abandon, because Henry George advised him that he owed his faculties in that respect to the cause, uninviting to almost every man of wealth, which he had espoused.

He served the public when he joined in the repugnant game of partisan politics, playing it as it had to be played, in order that he might in Congress promote the fortunes of the same cause.

He served the public when in Congress he brought to light the plutocratic tax regime of the District of Columbia; when he spurned appeals to consistency on the floor of the House by denouncing Protection as a fraud which, though he profited by it as a business man, he would not stand for as a Congressman; when he used his Congressional "leave to print" for franking Henry George's "Protection or Free Trade" broadcast, as