

mean if not that the administration at Washington is committed to the British cause and against the cause of the Boer republics? What does it mean if not that the persistent refusal of our government to require Great Britain to remove its army supply post at New Orleans from our territory is a deliberate act of partisanship for Great Britain and a breach of our professed neutrality? The inference is irresistible that our government is not a neutral in this war of conquest that Great Britain is waging against the two South African Republics, but is making us an ally, no longer secret, pursuant to what Mr. Chamberlain described as "an understanding between statesmen," but an ally open and avowed.

Compare this treatment of the public envoys of these republics with the treatment just accorded a private envoy of the Emperor of Germany. We have tried to make ourselves believe that he was an envoy from the German people, and that in honoring him we have honored them. If that were true, would it not follow that in dishonoring the Boer envoys we are dishonoring the Boer people? On the other hand, if we intend no dishonor to the Boer people when we ignore the official character of their envoys, how can we pretend that we honor the Germans by fulsomely honoring the brother of their monarch? These two events do not bear comparison consistently with our professions. The only consistent explanation is that we welcome the German emperor's brother not because we love the German people but because we admire royalty, and that we ignore the South African envoys because they have no royal or imperial halo and we are indifferent to the fate of their republics.

The report of the British commission on local taxation, analyzed in these columns at page 245, came before the House of Commons on the 19th of February; and the debate, which was unusually thoughtful even for the House of Commons, appears substantially in full in the London

Times of the 20th. The specific issue was a motion by Mr. Trevelyan, a Liberal, for the second reading of a bill for enabling cities to levy site value taxes for local purposes. It was expected, as Mr. Trevelyan explained, that the first benefit to flow from this measure would be the forcing into the market of "vacant land which was ripe for building." Some further idea of the nature of the bill may be had from the following extracts from the speeches:

Mr. Holdane (Lib.)—for the bill.—The site value is something which is due not to the exertion of the owner of the land, but to the movement of the population, and is therefore a proper subject for just and equitable treatment in the way of adjusting the burdens it ought to bear.

Mr. Cripps (Con.) opposed.—The site value is taxed at present as part of the real estate. If that is so, what justification is there for putting any exceptional tax upon it. It can be justified only on this unearned increment doctrine; and if that doctrine is to prevail, a special burden might as well be put on railway stock in the case of a line deriving its prosperity from the growth of two great towns which it connects or on the interest on debentures as compared with ordinary stock.

Mr. McCrae (Lib.)—for the bill.—In Scotland at the last general election there was hardly a Unionist candidate who did not commit himself to the taxing of site values. . . It is fair and sound that a tax should be levied on land, which improves in value, and that a building, which depreciates in value, should be to that extent relieved. At present, land in this country does not bear its fair share of taxation. The great advantage of the bill comes in not only as a tax reform, but as a solution of the housing question. . . One of the main reasons that can be adduced for the proposal that land, and unused land, ought to be taxed, is that this would force more land into the market and therefore cheapen its price.

One of the principal speakers in support of the bill was Sir William Vernon Harcourt, who was chancellor of the exchequer in 1894 and retired from the leadership of the Liberal party in 1898. The bill had been introduced by Liberals, the tory ministry having refused to act, and consequently its defeat was a foregone conclusion. For in England the landed interests bear much the same relation to the party in power that trust interests bear here. But, defeated

though the bill was, the vote was significant. Though the usual ministerial majority is from 150 to 200, the majority against this bill was only 71, the vote being 158 for second reading and 229 opposed. To the principle of the measure, however, the Liberal party is now pretty thoroughly committed; and so strong was the showing in its favor in the Commons that a belief is spreading that even the Tory ministry will soon have to put forward some kind of proposal for site value taxation.

How wide the swath which this theory of taxation has cut in the Liberal party is indicated by the attitude towards it of so notable a man in politics and commerce as Sir Christopher Furniss, member of parliament for Hartlepool, and head of several business concerns. He has recently made another pronounced declaration on the subject. It appears in the Pall Mall Magazine in an article over his signature on the American commercial "invasion" of the old world. Referring to the heavy burden imposed on British industry by mining rents and royalties, he warns the parasitical landlord class in no ambiguous terms. We quote:

I am not the man to support any wild and revolutionary theories of confiscation, but the mineral rents and royalties of this country are undoubtedly excessive, and I would warn the "gentlemen of England" that property has duties as well as rights, and that if, while shirking those duties, as in the manner of local rates, they impose on trade and industry burdens grievous to be borne, which they themselves touch not with one of their little fingers, they will only have themselves to thank should such theories become more and more popular. The miners work for wages they receive; the colliery owners also earn their profits, when they get them, and those profits over a term of years will not average over five per cent. on the capital worked. If, therefore, special taxation is to be imposed upon those connected with the mining industry, it should surely be levied upon the royalty owners rather than upon the coal owners and the miners. . . .

That this is no idle threat, but the expression of a conviction regarding the question of public revenue, is made

clearer farther on in the same article. Having opposed taxes on imports and exports, the distinguished writer asks:

If, then, no tax is to be levied on our exports, in the interest of the nation at large, how is the country to pay for the exceptional increased national expenditure?

And here is his blunt answer to the question:

I see nothing for it but to take up the question of taxation of land values.

This mode of taxation, now gaining such headway in England and already far advanced in practical operation in New Zealand and some of the Australian states, is the same which the pending constitutional amendment in Colorado (pp. 324, 659, 678, 722, 746) seeks to make permissive locally in the counties of that state. How very important this amendment is for the best interests of Colorado has been illustrated recently with singular vividness. Oil having been discovered in Colorado, there is a rush of labor and capital for the oil fields. But the owners of the ground stand in the way, not arbitrarily, but after the usual manner of the owners of the earth everywhere—in city and country, in oil region and mining region, in the old world and the new—by holding needed land out of the market for higher prices. Here is the complaint, compact and luminous, of the Colorado Representative of Boulder:

Already the extravagant valuations and conditions which the farmers are placing on their lands for either sale or leases for oil development in the county is having the effect to drive capital on through to the oil fields thought to exist above. It is a shame for it not only damages the individuals so holding, but injures this district.

This case stands out in bold relief, but it is only typical of a chronic and universal condition.

Every improvement, little and big, commonplace or spectacular, augments demand for the kind of land upon which it depends or with which it brings mankind into more convenient relationship. Who, for instance,

would suppose that free delivery of mail matter in the country would react upon land values so as to express its financial advantage in higher prices for country real estate? Yet here is an innocent but instructive statement which we quote from the prospectus of the Postal Progress League, a useful organization with headquarters at Farmington, Conn.:

The establishment of the American free rural service was the crowning glory of President McKinley's administration. In 1899, though hardly out of its swaddling clothes, First Assistant Postmaster General Heath estimated that it increased the value of farm lands served from two to five dollars an acre.

The point about the idea of site value taxation is that values so caused, which are due not to the work of the occupant especially but to general progress, shall furnish the funds for public expenses; and that if this were done, the incentive for holding land out of the market in expectation of higher prices in the future, as in the Colorado oil region, would vanish, since the site value tax would be on the whole too high to leave a margin for profitable speculation.

The Federal Supreme Court has decided, in a case coming up from Detroit, that a reduction by that city of car fares from five cents to three, was, under the circumstances of the case, a breach of contract. Doubtless the point at issue was whether in that case the franchise gave the street cars a license to charge five cents or made a contract with it to that effect. The court held it to be a contract. This should be a warning to all cities when fixing prices for public services to be performed by private corporations, to be especially careful so to frame the franchise as to make the price a matter of license and not one of contract.

Less than six months ago one of the blatant plutocrats of Detroit, Frank C. Andrews, was loud in his indiscriminate condemnation of "anarchists." Whoever did not agree with his professed idea of government, came under the ban of his hatred and

the menace of his power; and his power was great, for he was the Republican commissioner of police, and a reputed millionaire at whose feet many dollar-chasing pietists worshiped much more devoutly than at the altar in their churches. But today this same Andrews is in jail, charged with embezzling sums that run in the aggregate far above the million mark. The full amount of his stealings has not yet been discovered. A professed hater of "anarchy," he himself proves to have been, in the worst sense of the word, an arch-anarchist. How many more of the men who were recently demanding—in counting house, pulpit, newspaper, magazines, and even Congress—that anarchists of the peaceable and property-respecting sort be outlawed, are in fact criminal anarchists like Andrews, only the judgment-day books can reveal. There is no question here of falling from grace. Andrews is not "a good man gone wrong." His is distinctly the case of "a bad man found out." And, in the language of the street, "there are others," of every one of whom it is safe to say that he, like Andrews, ran with the swell mob that recently raised a senseless and inhuman hue and cry against peaceable "anarchists." But the cry of "Stop thief!" is an old one. Andrews and his like are not original in diverting attention from themselves with a hue and cry.

In the February number of the Knights of Labor Journal—the organ of that labor organization which is founded upon the idea, fundamentally and universally true, that labor is not a question of classes but is one of useful service regardless of class—there appears a brief and impressive article by Byron W. Holt on the subject of wages and cost of living. Mr. Holt treats the matter statistically. It will be interesting, no doubt, to the penny-whistle optimists who think that the people are prospering because the trusts do, to learn from Mr. Holt, upon the authority of the census bureau and Dun's Review, that