

world are thinkin' the same way, an' I wouldn't be surprised to see our wise men in Congress make a sample appropriation of \$30,000,000 or so for ship subsidies, when they git through economizin' by puttin' some more tariff on sugar an' steel. Ma says I'm mistaken about the Tomkinses thinkin'. She says they hain't got a blame thing about 'em to think with, which seems to me to be drawin' it a little strong. I've seen some of 'em that had strong symptoms of thinks, at times.

"I feel real sorry for our Tomkins sometimes. He sets down at the table with a big lead pencil, an' figures out that every year English an' German merchant ships bring over a big lot of merchandise from foreign countries, an' that we pay 'em more than 300,000,000 dollars for the freight on this merchandise. Then he figures that if we only had some ships of our own, that we could gobble this \$300,000,000 ourselves, an' thus have the merchandise an' the freight an' the ships an' all the rest of the things to ourselves, an' the foreigners would get left out in the cold an' wouldn't have anything. Then he gits cramps because Congress don't vote a big subsidy to the Morgan-Standard Oil-Steel Corporation so they would build us some ships. He remarks to the butt end of his lead pencil, 'What business have these foreigners buttin' into the ship freightin' trade? It jest naterally belongs to us. The Lord made the Atlantic an' the Pacific oceans for a sailin' place for the American flag, an' all we have to do to carry out the designs o' Providence is to vote a big subsidy for shipbuildin', an' the Morgan-Rockefeller-Steel Corporation will do the rest.' He whispers to the gentle breezes that stir up his hair, 'We are payin' the workin' men in foreign shipyards millions o' dollars in wages every year, that ought to go into the pockets of our workin'-men. What business has these foreigners to build ships an' sail 'em on the ocean? Wasn't it "manifest destiny" from the beginnin' that we should do the ship buildin'?' An' then the breezes sigh in his ear, an' say, 'These disgustin' foreigners carry the freight cheaper than we can do it ourselves, because the lunkheaded people that do the governin' over there tax all the poor people in the country for the benefit of the shipbuilders to make up the losses in the carryin' trade. What benefit would it be to the poor people of this country to play the same game on them?' Then Tomkins gits up in his wrath an' shuts off the breezes. He hates to imagine that the foreigner loses money in the business. That \$300,000,000 looks so big at the point of his pencil that he can't forbear schemin' to git his hands on it. He draws pictures of American ships flyin' the American flag on every sea, an' of the poor foreign workin' men starvin' for something to eat an' no jobs in sight. He says to himself, 'It ain't our fault that they are hungry an' that jobs are scarce. We got to look out for ourselves. Charity begins to home,

you know.' An' then conscience whispers, 'An' always stays there.' Then somethin' that looks like a think starts up in the place where the brains ought to be, an' says, 'Of course if we can manage to git that \$300,000,000 without givin' anything for it, we will feel kind o' sorry for the foreign shipbuilders, an' kind o' comfortable to think we are so much better off than they. Maybe the feller that said we send so many dollars over there was mistaken. Maybe we send goods instead, an' if we do our own freightin' we'll lose money on the business an' have our goods left on our hands. Then we might find ourselves hard pushed to raise the money to pay the steamship subsidies. There might be some sich difficulties in the way, but it's a blame shame that we can't do all the business in the world an' take in all the profits. What's the American flag for any way?"

"What does Old Tom think? Well! If you'll let him follow the Tomkins style a minit, he'll say that Old Tom an' some others in this neck o' woods needs some subsidies right away. If we had 'em we would save all the freight money we pay to the railroads. We would have the money an' the goods, too. But where would the people be that paid the subsidies? We would run a big lobby in Congress an' pose as immaculate patriots like some other people that look down on us now. We would claim that the culture an' intelligence of the country ought to rule. Yes! That's about the way we'd do it.

"There's a big trouble comes right in here, though. It stumps the intelligence sometimes. That is this: In the nature o' things we can't git enough subsidies to go round. If we undertake to spread 'em out much there won't be anybody to pay 'em. They're a blame lopsided sort o' things—these subsidies. You have to cover 'em all over with the flag to make 'em look respectable.

"This last think is Ma's, an' not mine. But it looks reasonable: If you tax all the people for the benefit of some of the people, somebody's bound to lose out. If you let some o' the people put their hands into the treasury for the benefit of all the people, somebody's sure to git left in the scramble."

GEORGE V. WELLS.

BOOKS

BUSINESS ECONOMICS.

Enterprise and the Productive Process. By Frederick Barnard Hawley, B. A. (Formerly Treasurer of the American Economic Association). Published by G. P. Putnam's Sons, New York and London. Price, \$1.50, net.

Frankly written "from the point of view of the entrepreneur," this book has to do with business economics, rather than political economy. From the point of view of the entrepreneur, the specu-

lator in production, there are really but two economic categories: the entrepreneur is in one, and everything else in the other; and the author does little or nothing to dispel that notion.

Entrepreneur logic is sometimes so well represented as to seem almost satirical. For instance, at page 207 it is argued for the notion that labor does not produce all wealth, that the statement "labor produces all things" is the equivalent of "the laborer is the only one who does anything." This depends of course upon the sense in which the words are used. If "labor" and "laborer" both mean hired workman, they are equivalent; so if "labor" and "laborer" both refer to useful work. But in no such sense does the author use the terms. He quotes "labor produces all things," from those who refer by "labor" to all human effort usefully applied; but when he defines this as equivalent to "the laborer is the only one who does anything," he means by "laborer" hired workingmen. It is logically somewhat as if one should say that there isn't nearly as much horsepower in mechanical motion as is supposed, because horses supply only a small proportion of mechanical power. This is a small matter, perhaps, but if the author should admit that the power which produces all wealth is labor power, very important props would fall out from under his entrepreneur philosophy.

The author's idea that a patent right and a store of goods are economically the same thing, is decidedly entrepreneurish; but it loses sight of the most important of all distinctions—that between an industrial product, which is in the category of a store of goods, and a governmental power, which is in the category of patents. If we put both into the same category, we should have to put laborers in along with them were we to return to the slavery regime.

Some economists have multiplied capital by confounding goods with titles to goods, all in the same category. The dairyman who owns a \$50 cow, for instance, has that much capital, and the money lender with a mortgage of \$25 on the cow

has half as much again, making a total of \$75 of capital with nothing more substantial to show for it than a \$50 cow. In business economy, this is all right enough, for in business economy the dairyman and the money lender each thinks of himself, entrepreneur fashion, as the center and sum of things. But in political economy, which considers them together as a political or social whole, there is only \$50 of capital, namely the cow; for the capital the money lender owns is part of the same capital which the dairyman possesses and of which he owns the residue. Our author, however, drops the cow out of consideration altogether, and makes capital nothing but investment, or title, or purchasing power. In a final analysis this method would probably not serve the entrepreneur theory as well as the other; but it seems to serve as well to confuse the reasoning of the author himself.

The book is a plausible and by no means unreadable plea for things as they are—special privilege and all.

PERIODICALS

A review at length of the progress of direct legislation appears in Bryan's *Commoner* for May 7. In his comment, Mr. Bryan says: "By whatever name it may be described, it means the bringing of the government nearer to the people—the making of the government more responsive to the will of the people."

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The first issue of Norman E. Mack's "National Monthly" (p. 406) fully meets the promise of its prospectus. Typographically, it is a fine production notwithstanding its small type; and its purpose of representing the Democratic party, simply as an organization, is realized in the best possible way. Whether its promoters are right in supposing that such a magazine can be to the Democratic party what the other magazines are to the Republican party remains to be learned; the National Monthly offers a fair test. But it has seemed to us that their nom-

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