

rooting the basic system out of which they spring. And that is land monopoly. There are only two ways of dealing finally and effectively with them. One is through the abolition of all legal privileges, including land monopoly, as Henry George has pointed out; the other is by putting the trusts in the hands of government, as socialists propose. This question is certain sooner or later to be the issue upon which the people will have to divide.

Meantime, however, the tariff question is a trust question. Though it is not the fundamental cause of trusts, it does give added power to trusts of every kind and degree—oil, coal, steel and all the rest. No better evidence is needed of this than the notorious fact that American trust-made goods are sold abroad, where they are not protected by tariffs, for lower prices than they are sold for at home where they are so protected. This is the real issue with reference to tariffs and trusts. Not whether revising the tariff would kill them altogether. It would not, though it would kill many of them and cripple many more. But whether it would prevent their extorting higher prices from American consumers than they get for the same goods from foreign consumers. On that point the evidence is overwhelming against the tariff. It proves to be what it has often been called emphatically, a “robber tariff.”

The latest bunco “remedy” for trusts is to get a constitutional amendment which would centralize power in the Federal government far beyond the fondest dreams of Hamilton. With such an amendment there would no longer be any States in the Union. The nation would be as much an empire as was France under Napoleon. But even if this were not objectionable, it would require two-thirds of each house of Congress and the consent of the legislatures of three-fourths of the States to secure the amendment. Under favorable circumstances that

would take from two to three years or more. Under slightly unfavorable circumstances it would take much longer. If opposed by the trusts, it could not be accomplished at all. For an obvious evil of rapidly growing power, that is an astonishing remedy to propose. Why the trusts should be alarmed at the strenuosity of a party leader who has nothing more strenuous than that to threaten them with is inconceivable. Constitutional amendment is their best cue.

Secretary Shaw filled a Chicago audience chuck-full of figures Monday night, figures especially cooked by one of the statistical cook shops of the treasury. It would be a waste of time and space to review his figures in detail. The presumption of falsity lies against them at the start, for it is becoming notorious that much of the statistics now being turned out at Washington are picked up and put together upon the principle of the department clerk who, when asked to get up some statistics on a certain mooted subject, innocently asked, “On which side?” But if Mr. Shaw’s statistics are in themselves unworthy of consideration by anybody, one of his conclusions from them is astonishing enough to challenge the attention of everybody of common sense. Twenty-two nations of the earth, he says, have an annual balance of trade against them of \$2,000,000,000; and then he boasts that we supply 24 per cent. of it, or \$478,000,000 by our “favorable balance.” Put into plain English, what does that mean? Simply that 22 nations receive tribute annually to the amount of \$2,000,000,000, and that we pay 24 per cent. of that tribute. What is there in this to boast of? Doubtless Mr. Shaw, if interrogated, would say that it is not tribute. He would say that what he means is that 22 nations buy \$2,000,000,000 more than they sell, and that we sell them 24 per cent. of that amount in excess of what we buy. But if we do that every year, never getting anything back for what we sell, aren’t such

sales tribute? Aren’t they in that case a dead loss? If, on the other hand, we do get their value back in the future, shall we not then be buying more than we sell, and won’t that knock what Mr. Shaw calls our “favorable balance” of trade higher than a kite? Probably Mr. Shaw thinks as President McKinley did, that it all comes back to us in pure gold. Then let him turn to his own department statistics, which show that we don’t get as much of gold and silver in as we send of gold and silver out, and proceed with his explanation.

On the very day on which Mr. Shaw delivered that speech, the Illinois Central railroad made a report which throws light on our “favorable balance” of trade. It shows that 25 per cent. of the stock of that road is owned in foreign countries. Of course, therefore, 25 per cent. of the dividends go abroad, in the shape of American products of farm, ranch, and factory; and for these exports nothing comes back. Which country is enriched by such shipments, the country that takes them in or the country that sends them out? A schoolboy should answer the question correctly, even though Mr. Secretary Shaw of the treasury is all in a tangle over it. Undoubtedly the country that gets dividends and not the one that pays them is enriched by the payment. The latter was enriched by the original investment, but that helped to make an “unfavorable balance,” according to Mr. Shaw; but it is not enriched by paying the dividends, though that helps to make a “favorable balance,” according to Mr. Shaw. If all the dividends, rents, etc., which are sent abroad by this country as exports, and for which no imports are or are to be received in return,—if all these payments were considered, Mr. Shaw’s boasted “favorable balance” of nearly \$478,000,000 would take on a sickly complexion.

We notice that one of the campaign canards which the Hanna or-