

statement which he had prepared in collaboration with Attorney General Wickersham and Senators Root and Aldrich, in which he said:

I have signed the Payne tariff bill because I believe it to be the result of sincere effort on the part of the Republican party to make a downward revision and to comply with the promises of the platform as they have been generally understood and as I interpreted them in the campaign before election. This is not a perfect tariff bill, nor a complete compliance with the promises made strictly interpreted, but a fulfillment free from criticism in respect to a subject matter involving many schedules and thousands of articles could not be expected. It suffices to say that except with regard to whisky, liquors, and wines, and in regard to silks and as to some high classes of cottons—all of which may be treated as luxuries and proper subjects of a revenue tariff—there have been few increases in rates. There have been a great number of real decreases in rates, and they constitute a sufficient amount to justify the statement that this bill is a substantial downward revision and a reduction of excessive rates.

This is not a free trade bill. It was not intended to be. The Republican party did not promise to make a free trade bill. It promised to make the rates protective, but to reduce them when they exceeded the difference between the cost of production abroad and here, making allowance for the greater normal profit on active investments here. I believe that while this excess has not been reduced in a number of cases, in a great majority the rates are such as are necessary to protect American industries, but are low enough, in case of abnormal increase of demand and raising of prices, to permit the possibility of the importation of the foreign article and thus to prevent excessive prices.

The power granted to the Executive under the maximum and minimum clause may be exercised to secure the removal of obstacles which have been interposed by foreign governments in the way of undue and unfair discrimination against American merchandise and products.

The Philippine tariff section I have struggled to secure for ten years last past, and it gratifies me exceedingly by my signature to give it the effect of law. I am sure it will greatly increase the trade between the two countries, and it will do much to build up the Philippines in a healthful prosperity.

The administrative clauses of the bill and the customs court are admirably adapted to secure a more uniform and a more speedy final construction of the meaning of the law.

The authority to the President to use agents to assist him in the application of the maximum and minimum section of the statute, and to enable officials to administer the law, gives a wide latitude for the acquisition, under circumstances favorable to its truth, of information in respect to the price and cost of production of goods at home and abroad which will throw much light on the operation of the present tariff and be of primary importance—of officially collected data upon which future Executive

action and Executive recommendations may be based.

The corporation tax is a just and equitable excise measure, which it is hoped will produce a sufficient amount to prevent a deficit and which incidentally will secure valuable statistics and information concerning the many corporations of the country and will constitute an important step toward that degree of publicity and regulation which the tendency in corporate enterprises in the last twenty years has shown to be necessary.

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The British Land Question.

The debates over the British financial bill (p. 727) both in the House of Commons and out among the people has settled down to the land question. Churchill's speech, reproduced in *The Public* last week (p. 762) is an example of the kind that both he and Lloyd George are making on the public platform; and Asquith himself struck the key-note, as may be seen from our recent extracts (p. 683) from his Southport speech. Press dispatches of the 7th, particularly the *New York World's* special dispatches, describe, in the language of the dispatches themselves, "a startling change owing to the increasing popularity of the budget." It seems from these dispatches that "the attempts to terrify the public by denouncing its manifold democratic provisions as socialistic have failed, and now the House of Lords has ceased threatening to reject it;" and that the platform speeches of George and Churchill "have so powerfully influenced public opinion that the *Times* and the *Daily Mail*, hitherto virulent opponents of the budget, are now warning the Tory party of the futility of attacking the measure further." Naturally "the Tories are furious."

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Mail advices are indicative of the progress of the bill through the Commons and the attitude toward it of the public mind. "Land Values" for August says of it that—

In its original form the bill was of the weakest possible nature so far as the taxation of land values is concerned. New exemptions of different kinds of land from the operation of the increment duty have further weakened it to such an extent that serious Liberals are now demanding that the valuation shall be limited to land on which taxes actually fall. There is to be no tax on the value of agricultural land, no tax on freeholds the value of which is under £500, no tax on land held by local authorities, no tax on land held for public or charitable purposes, and no tax on land belonging to statutory companies, such as railways—land which can only be used for statutory purposes. In spite of these exemptions the Government declare that they will provide for a complete valuation of land apart from improvements. . . . We fully appreciate the importance of the finance bill. By introducing the proposal to value the land of the country it has raised a great issue. But

we have been compelled to point out ever since the introduction of the budget that the Government have shown a great and unnecessary disloyalty to this Liberal principle, and as great and unnecessary an anxiety to conform their measure to systems which are opposed to it. This is fatal so far as it prevails. . . . The budget contains positive vices, yet in response to the protests and threats of landlords the Government are abandoning the only alternative to these. Nothing could be more foolish from every point of view. The budget, with its stamp duties, petrol, motor, and tobacco taxes, was hostile to trade at first. Every subsequent modification has been dictated by concern for Conservative and reactionary claims. Exemptions have been made with regard to land values which will remain as fences erected across the path of progress; speeches have been made in support of these exemptions which will stultify future Governments. Ministers seem to be wanting in a knowledge of simple political facts, or these facts are ignored by them. The people of this country are hungering and thirsting for the application of Liberal principles. It is the duty, and would be to the advantage, of the Liberal party to apply these principles. Because the Government have done this to some extent they have renewed their strength. But why should they mock and deceive the country by their exemptions?

The "Nation," more socialistic than "Land Values," refers in this wise to the same matters in its issue of July 17:

As long as the two main principles of the bill stand, we shall not greatly quarrel with concessions on secondary matters. These two principles are the taxation of unearned increment and the requirement of universal valuation. They are, as we have shown, complementary principles, together necessary to the setting of our land system and our fiscal system on a sound economic basis. The increment tax standing alone the landowners might accept. It is valuation as checked by the development tax which they fight and will fight without compromise. To value the land is to divulge the secret of the social system. It is to hold up to the general gaze the basis of a great part of wealth, to expose the venomous ulcer which saps urban life, to indicate the true source of municipal taxation and measure its copiousness, to bar the profitable transactions of landowners with public bodies. Let us be quite clear that no concession will avail for the speedier passing of the budget as long as we retain valuation for the double purpose of the development duty and the increment tax. Let us also be quite clear that on our side there can be no tampering with these principles. They are the heart of the bill; they contain the promise of a new departure in social legislation; they are the fulfillment of a pledge to the municipalities; they have put a wholly new spirit into the supporters of the Government, and have enlisted in its aid the enthusiasm of social reformers which under a series of disappointments had waxed cold. Any failure here, any weakness, is out of the question.

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The Labor party, in their quarterly circular, issued July 29, state that the budget, taken as a

whole, but particularly the clauses imposing additional taxes on high unearned incomes and on land and monopoly values, has been heartily welcomed by the Labor party as a beginning of a system of finance based upon the principles outlined in a resolution carried unanimously at the special conference held at Portsmouth this year. "We hope," the circular goes on, "that every organization affiliated to us will see that, however many defects there may be in the bill, the Government's proposals should, wherever it can be done without conflicting with our own constitution, receive their most active support, and be saved from the destruction which the wealthy and the landowning classes desire for it."

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The Czar's Sea Visits.

The Czar of Russia, whose promised visits to France and England aroused such storms of protest from the radicals of both countries (p. 754), hardly trod English soil more than French (p. 754). He was landed very quietly on the Isle of Wight on the 4th, and with the King visited the naval station at Osborne. During the remainder of his English visit he remained on shipboard, and there received deputations from the lord mayor and corporations of London and from various chambers of commerce. On the 5th he started on his return journey to Russia.

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The Spanish Uprising.

Though order is now reported as having been restored to Spain (p. 753), there is said to be a deep undercurrent of dissatisfaction and resentment in the subdued Barcelona region. The repressive measures of the government were severe, and Republicans of prominence, including several aldermen, are still held in the dungeons of Fortress Montjuich. Upon the fate accorded to the 500 prisoners in the fortress may depend the question of another uprising in the immediate future. The military authorities are believed to favor a wholesale shooting, which, it is declared, would precipitate another revolution. A Republican Senator, Senor Solortega, claims that during the two days that the revolutionists were masters of Barcelona they did not commit a single act of cruelty or permit an assassination. A prominent Republican of Barcelona is quoted as accounting for the excesses of the populace and for the failure of the movement, as follows: "The insurrection at first had the support of all the Republican elements in the country and promised to be a complete success; but when the anarchists and the anti-clericals began burning and sacking the churches and convents the better class of Republicans withdrew. Had it not been for the insane ferocity of the fanatics I sincerely believe that the