

lowing letter from the Illinois Manufacturers' Association points?

We do not think it fair for the President of the United States, after he received the support of the corporations, to enact a law that was discriminatory and unjust. We do not believe that there is any law of God or man that justifies one in asking for help and giving a body blow in return. There is no intention of being disrespectful and unfair in any of the literature that goes out from this office, but I assure you that we will insist on our rights, and will present the truth as we find it.

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Roosevelt.

It is appalling, what good Roosevelt may do when he gets home—and what harm. He may be democratic, but only as a red blooded aristocrat is. He may mean well, but he doesn't think well when he thinks at all. Should his right meaning draw him to the Insurgents, his personality might be as steam to a boat with her nose pointed right; should his wrong thinking make him a Stand-patter, he might become our Man on Horseback.

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The Police "Sweatbox."

Justice Wright of Washington, whose conduct in the Gompers injunction case (vol. xii, p. 1188), was justly criticized, has made a decision on the police "sweatbox" (pp. 337, 350) which entitles him to the credit that belongs to a judge who holds fast to the land marks of civil liberty. He decides that the arrest of persons on suspicion of crime without a magistrate's warrant is unlawful unless a warrant is immediately procured. Under that view of the law—and it is a view that no well-read lawyer will dispute—the "sweatbox" would be as impossible as it ought to be. Police detectives could no longer hold prisoners in secret custody to torture out or worm out from them confessions that are more likely to be false than true.

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Menacing Municipal Home Rule.

A vicious bill before the Ohio legislature, has but barely escaped passage. It was a bill to empower the Governor to remove the mayor of any city in the State upon finding him guilty of "gross misconduct," "gross neglect of duty," or, among other things, "refusal to enforce the law." Such a bill would have taken the government of every city away from its inhabitants. What partisan Governor would have had any difficulty in finding a mayor guilty of gross misconduct or neglect of duty if a partisan advantage were to be gained by it? Incidentally this bill afforded an

interesting contrast of the attitude of politicians toward the recall. In Illinois they required a petition of 75 per cent of the voters to enable the people of a city to vote for the removal of an official; but in the Ohio bill, a 2 per cent petition was considered enough to authorize the Governor of the State to remove the mayor of any city.

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The Gold Dollar as a Dishonest Dollar.

Financial experts, both the theoretical of the universities and the practical of the market place, seem to be fairly well agreed upon Byron W. Holt's theory that gold has fallen in value. What, then, is to be done in order to have an "honest dollar"? Silver was demonetized. But as gold is now the single monetary standard, gold cannot be demonetized. Consequently the creditor class must suffer loss just as they would if depreciated silver had been restored as a money metal—unless some way can be found to raise the value of gold dollars. But that might not be so difficult. Gold dollars are standard now at 25.8 grains of gold nine-tenths fine. Why not standardize them at some higher point—say 38.7 grains, or more or less according to the depreciation of gold? Listen to the little birds, and maybe they will tell you pretty soon that something like this is to be attempted by and by.

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THE EXPLOITATION OF LABOR.

What does that mean—"exploitation of labor"?

It means that workers are "fleeced" through unfair wages, which they accept because they have to or starve. They have to accept or starve because the supply of workers is greater than the demand for workers. This is a fact which everybody knows.

Everybody ought also to know the reason why it is a fact.

There may indeed be many reasons, but there is one which must be reckoned with before the others can be effectually disposed of. This is monopoly of natural resources. The earth is forestalled by labor exploiters. Workers are disinherited. Labor is locked out from its own.

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Think of it a moment, calmly and fairly.

If mines were monopolized, couldn't exploiters of labor slow down mining operations? And wouldn't this make an over-supply of labor—unless disemployed miners could find profitable opportunities to work at something else?

And then if lumber forests also were monop-

olized, couldn't lumbering operations be slowed down? And in that case wouldn't there be an oversupply, not only of miners but also of lumbermen—unless disemployed miners and lumbermen could find profitable opportunities to work at something else than mining or lumbering?

And if in addition, building lots in all the cities and towns and villages were monopolized, wouldn't building operations be checked? And if they were wouldn't there then be an oversupply of builders, too—unless disemployed miners, lumbermen and builders could find profitable opportunities to work at something else than mining, lumbering or building?

Further, if farming land were also monopolized, wouldn't opportunities for farming be severely limited? And wouldn't that close out pretty nearly all opportunities for surplus workers, who would then be made up of disemployed farmers and all other kinds of workers as well as miners and lumbermen and builders?

Finally, if those were the basic conditions of social life, wouldn't workers bid fiercely against each other for opportunities to work at anything? And wouldn't that unnatural competition become so fierce that all the great tools of labor, the machinery which labor itself makes—factories, railroads, ships, and all the rest—wouldn't this machinery be monopolized by labor exploiters as fast as it was made? And wouldn't that round out the economic power of labor exploiters, giving them the monopoly of both land and machinery, and thereby reducing the workers to economic servitude?

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Those questions are not invented. They assume no fanciful circumstances. They rest upon precisely the circumstances in which the work of the world is done today.

Mines, forests, building sites, farming land, and all other natural opportunities where civilization is, are in fact monopolized.

Thereby their use by labor is in fact checked.

Consequently there is in fact fierce competition among workers for opportunities to work in order to live.

And under the stress of that unnatural and deadly competition, workers do in fact suffer confiscation of machinery as fast as they make it, and labor exploiters therefore can and do in fact reduce wages—the lowest to the dead line and the higher in proportion.

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You have here, then, the basic reason for labor exploitation. Natural resources being monop-

olized, all the rest is only a matter of "going on." For if labor be locked out from the natural resources of labor, labor exploiters need have little difficulty in locking it out from the machinery they then permit it to make. And inasmuch as labor is locked out from the natural resources of labor, the land upon which labor lives and from which it must make its living, labor exploitation easily locks it out also from the very machinery which it produces.

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To emancipate labor from that servitude, the machinery of modern industry must be secured to its producers, and access to the natural resources of labor must be restored to labor.

About this there can be no honest dispute.

The only debatable question is the question of method. How can that security and that restoration be accomplished most easily, most speedily, most effectually?

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With reference, then, to those tests, and without too hastily condemning other methods, let these suggestions be fairly considered.

Wouldn't it be easier for labor to make machinery, and for its makers to retain ownership (individually or collectively as you will), if the work of producing and using machinery were exempt from all taxation? Every one knows that it would be, if he knows anything at all about the effect of taxation upon industry. This much, then, could be accomplished by that tax exemption. The worker would derive economic strength from it; the labor exploiter would suffer corresponding weakness.

But not for long if the reform stopped there. The exemptions of industry from taxation would soon be reflected in higher prices for natural resources. What labor gained and labor exploiters lost through that tax exemption, labor would lose again and labor exploiters recover through the more intense monopolization of land that would follow.

If, however, tax exemptions of industry were accompanied with increasing taxes on natural resources—not "specific" but "ad valorem," to adopt the expressive distinction in common use with reference to custom house taxation; not by area or size of holding but by value—it is evident that a beneficial effect in two directions would immediately result. Retaining on the one hand the benefit of industrial tax exemptions, labor would derive on the other hand further benefits from higher ad valorem taxes on natural resources. The monopoly of land would decline. It would have

to, for the owners of unused land would unload if land value taxes were too high to leave an unearned profit. Besides adding to the economic strength of labor, this would increase the economic weakness of labor exploiters. And not for a time but for good and all. It would literally "cut the ground from under" the exploitation of labor.

After that, the whole problem of labor exploitation would again be simply one of "going on," but of going on in the opposite direction from now. With land monopoly at the base of our industrial system, it is labor exploitation that gains by the "going on;" but with land monopoly shriveled by taxation of land values and industry stimulated by exemption of labor values, the "going on" would be toward a complete uprooting of labor exploitation and the absolute economic independence of labor.

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Other methods of destroying labor exploitation may be more spectacular than this one. They may exhibit more of the poetry of motion. They may be more complex. They may be more superficially attractive. They may appeal more strongly to the sociological microscopist who thinks that "life isn't as simple as all that." They may give promise of helping the worker without hurting the exploiter. Any one of them may better serve the purpose of fanatics or of dabblers in industrial reform. But this method answers best to the three tests—ease in application, speed in operation, effectiveness in result.

It could be easily applied in our country. For in its beginning it might be but a mild extension of a custom already established. We tax land values now, and we often encourage improvement by partial or temporary exemptions of improvements. Let us have more of both.

It would be speedy in operation. For when the good effects of its primary applications were recognized, movements to extend it would be popular and spontaneous. This is human nature.

It would be effective in result. For exemption of industry from taxation, along with heavy taxation of land values, would so continuously encourage industry and discourage land monopoly as to keep demand for labor constantly ahead of supply. This is an economic truism.

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Still further advantages over other methods for uprooting labor exploitation are offered by this one. It needs no revolution to adopt it. Its benefits begin with its first applications and grow with their extension. And when it is in full operation,

it furnishes a secure foundation for any other or further industrial reform that may then be needed or desired.

NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before, continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, April 19, 1910.

Republican Politics.

President Taft's bill for the regulation of monopoly, under consideration in the Senate in the form of a Court of Commerce bill, furnished the occasion on the 12th for a ruthless exposure of the bill by Senator La Follette. In the course of a speech of four hours, for which careful and minute preparation was evident and which alluded to the Standpat speeches of Mr. Wickersham and Mr. Taft (p. 347), Mr. La Follette said:

Never before has any one undertaken seriously to put through Congress a charter for the monopolization and oppression of the commerce of this country such as is carried in the devious language and hidden purposes of this measure. Never before has it been attempted, with the support of the national Administration, and of the party organization in Congress, to legislate for special privilege and against the public interest.

The mask is off. Mr. Mellen, Mr. Byrnes, and others of their kind are but hired megaphones, through which a beefy, red faced, thick necked financial bully, drunk with wealth and power, bawls his orders to stock markets, directors, courts, governments and nations. We have been listening to Mr. Morgan! No arguments worthy of the name have been advanced to justify this measure. The statements and arguments heard by the President's committee which led it to agree upon the original bill, the bill which formed the nucleus about which the railroads and the Attorney General subsequently arranged the really important provisions of this bill, are not disclosed to Congress, but repose in the archives of the Department of Justice. Nor has the Attorney General deigned to make public the considerations placed before him by representatives of railroad financial interests which led him to make the changes which he did make in this bill. These changes were made and such reasons as the Attorney General offered to the committee on interstate commerce in support of them were presented after the public hearings on the bill were closed to Congress and to the public. No representative of any public interest was notified of the changes or given any opportunity to be heard concerning them. They are embodied in a complete new bill, introduced in the Senate and reported by the committee for passage