

torially in the Record-Herald of the 29th, from which we quote:

Up to date there have been thirty-one bomb explosions in Chicago (excluding a few unrelated ones), all joined together in one long connected series centering about the gambling business. These explosions have steadily increased in severity and in damage done. The last two are not yet certainly proved to belong to the gambling series, but they probably belong to it. They are technically related to it and inspired by it, even if their immediate object was different. They are the fruit of the bomb habit. The police of Chicago have done nothing to suppress the bomb habit. The habit has, therefore, grown great. The police are morally and perhaps otherwise responsible for what loss of life and damage to property results. Chief George M. Shippy is at the very center of the responsibility. Just why we will proceed to show. The showing must be, however, by exhibiting a situation such as compels the belief of unprejudiced observers, even though it contains no positive evidence against individuals. Gambling in Chicago is not a mystery, not a crime plotted in subterranean caverns by little bands of conspirators and executed in hidden ways. It is a business. It employs its thousands of men. It has its shop talk. All its doings are known in the gamblers' circle. That the police circle overlaps the gamblers' circle and that what is talked in one is talked in the other no sane Chicagoan doubts. From the very beginning of the bomb-throwing the talk in these circles was that a clique of excluded gamblers was fighting a clique of protected gamblers. Each succeeding explosion directed attention to a new gambling place unmolested by the police. Each succeeding explosion was followed by fresh gossip. The names of the alleged dynamiters as well as of their alleged chiefs were bandied around. The police did nothing. Rumor said the police were unwilling to do anything for fear lest the whole story of the relations between gambling and civic authority would be told on the witness stand in court. Over and over police officials have talked of the bombs, tacitly admitting they were the result of a gamblers' war. Sunday night after the latest explosion Assistant Chief Schuettler, who heard the roar at his headquarters, said: "The minute I heard the explosion I figured they had finally got Mont Tennes' place." Captain O'Brien of the detective bureau said that he believed that "gambling had a whole lot to do with these affairs." These are typical expressions. What is one to believe if not that the bomb-throwers could be captured and suppressed instanter by any competent police official who felt himself authorized to act?

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The Tariff in Congress.

After taking hides out of the free list in the House bill (p. 610), the Senate took up the lumber schedules. This was on the 23d. The finance committee had agreed the previous afternoon upon a compromise between the House bill and the present law. For the \$2 a thousand feet for sawed lumber, which the present law imposes, and the \$1 which the House bill proposes, the finance committee recommended the substitution of \$.150,

which was adopted on the 23d by a vote of 44 for the rate recommended by the committee, against 24 for the House bill rate. The Democrats voting for the higher rate were: Bacon, Bailey, Chamberlain, Fletcher, Foster, Martin, Money, Simmons, Smith of Maryland, Talliaferro and Taylor. Those voting for the lower rate were: Bankhead, Clay, Davis, Gore, Hughes, Johnston, McLaurin, Overman, Paynter and Tillman. The Republicans voting for the lower rate were: Beveridge, Bristow, Brown, Burkett, Burton, Carter, Clapp, Crawford, Cummins, Curtis, Gamble, La Follette, McCumber and Nelson. An effort to put lumber in the free list had been made, but it proved so hopeless that the free list Senators voted for the House bill rate.

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Following the action of the Senate on lumber, the leather and shoes schedules were brought forward, also on the 24th. An increase of from 15 to 20 per cent was made on shoes, and of from 5 to 10 per cent on sole leather. The latter vote was decided off-hand, but the former was decided on roll call by 32 to 24. In this vote to increase the tariff on shoes only Republicans voted in the affirmative, and the Democrats were joined in the negative by the following Republicans: Bristow, Clapp, Crawford, Cummins, Curtis, Gamble, LaFollette and Nelson. A stormy scene is reported to have followed, when Senator Bristow (Republican, of Kansas) moved to place hides, shoes, sole leather, etc., in the free list. Senator Aldrich objected that the items having been voted on, it was out of order to attempt to obtain another vote, and upon Mr. Bristow's insisting upon a vote on his substitute, Senator Aldrich moved to lay the substitute on the table, which was done by 33 to 23. The question of procedure was then revived by Mr. Bristow, who wanted to have an understanding as to his rights in offering amendments. Not being recognized promptly he declared that the Senate would not hasten action on the bill by attempting to curtail his right to speak. He was interrupted by adjournment under the rule of procedure. At adjournment he had the floor, but nothing further was reported as having been done by him the next day.

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On the 25th a combination of Democratic and "insurgent" Republican Senators, prevented the taking of crude petroleum out of the free list, where the House bill had placed it. Senator Penrose, of Pennsylvania, moved an amendment imposing a duty of one-half cent a gallon, but his amendment was defeated by 40 to 30. The Democrats who voted for the duty were Owen, of Oklahoma, and McEnery, of Louisiana. The Republicans who voted against the duty were:

Bristow, Brown, Burkett, Clapp, Crane, Crawford,

Cummins, Dillingham, Dolliver, Gamble, Jones, La Follette, McCumber, Nelson, Page, Piles, Root, Smith (Mich.).

Wood pulp was put in the free list on the 26th by Mr. Aldrich's consent; a motion to put agricultural implements in the free list was rejected by 45 to 26; and one to reduce the rate on cash registers (a monopoly of the National Cash Register Co., of Ohio) was defeated by 33 to 31. The duty on hemp was increased from 2 to 4 cents a pound.

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Senator Taft announced on the 25th that he hopes for adjournment by July 15. Meanwhile, upon the final disposition of the petroleum tariff he introduced, as an amendment to the tariff bill, the President's proposed corporation tax, as it had been agreed upon at a conference at the White House on the 22d. The guests of the President participating in this conference were: Attorney-General Wickersham and Senator Root, who were charged with the task of drafting the measure; Secretary of State Knox, Senators Aldrich, Burrows, Penrose, Hale, Cullom, Flint, Smoot, McCumber and Lodge, constituting the Republican membership of the Senate finance committee; Speaker Cannon, Representative Payne, chairman of the House committee on ways and means, and Representative John Dwight, of New York, the Republican whip of the House.

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Discussion of the tariff schedules was concluded on the 28th, the duty on structural iron and steel valued at more than nine mills a pound, having first been increased one mill above the House bill rate, namely to 3 and 4 mills on the pound. Half a cent a pound on zinc in pigs was added to the House bill rate on that commodity when imported. An attempt by Senator Cummins to reduce slightly the duties on iron and steel products, was defeated by 40 to 31; and a motion by Senator Culberson to put cotton bale ties in the free list was defeated by 38 to 31, the following Republicans voting for it: Beveridge, Bristow, Brown, Clapp, Crawford, Cummins, Du Pont, Johnson, La Follette, and Nelson. Before adjournment, Senator Tillman proposed a duty of 10 per cent on tea, and Senator Aldrich reported from the finance committee a recommendation for the adoption of the following joint resolution for amending the Constitution:

Be it Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of both Houses concurring) that the following Article is proposed as an Amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"Article XVI.—That Congress shall have power to

lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration."

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Senator Tillman's proposed tea tax was defeated on the 29th by 55 to 18. During the debate on this question, Senator Aldrich was asked if he would lower the revenue from the tariff to an extent equal to that which should be raised by an income tax if the income tax amendment to the tariff bill were adopted, to which he replied:

I shall vote for the corporation tax as a means of defeating the income tax. I shall be perfectly frank in that respect. I shall vote for it for another reason. The income of the government this year will show a deficit of \$60,000,000. Next year there will be a deficit of \$45,000,000. I am willing that the deficit shall be taken care of by a corporation tax, but at the end of two years it should either be reduced to a nominal amount or repealed.

Mr. Aldrich said also that he did not favor as a permanent form of taxation a "tax which is sure in the end to destroy the protective system."

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The President's Corporation Tax.

As prepared by President Taft's advisers, and agreed upon by his party supporters in both Houses—led by Speaker Cannon in the lower House and by Senator Aldrich in the upper—the President's corporation tax amendment to the tariff bill is a lengthy document. It imposes a tax of 2 per cent upon the net earnings of every corporation, joint stock company, or association organized for profit and having a capital stock represented by shares, and every insurance company, organized under the laws of the United States or of any State, Territory, or District, or organized under the laws of any foreign country and engaged in business within the United States. Cost of maintenance, depreciation of property, debts, and interest thereon, other forms of taxation and all expenditures usually taken from earnings accounts are exempt. Every corporation also is given an exemption of \$5,000 of earnings before the tax applies. All the machinery of the Internal Revenue department is made applicable to this corporation tax. The responsibility for the enforcement of the proposed law rests with the Commissioner of Internal Revenue in the same manner as other internal taxes. While the corporations are required to supply information of a most intimate character relating to their business, for the purposes of assessing and collecting the tax, provision is made to safeguard them against uses of the data for other purposes.

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The British Finance Bill.

In his cable letter of the 26th from London,