

which, considering all the circumstances, is capable of still further confirming a growing conviction that the courts keep one kind of law "on tap" for ordinary people, say workingmen, and deal out a very different kind to "great financial interests." Nor will this deplorable effect upon public opinion be much neutralized by the published report of the Associated Press, that President Hill, of the trust, while refusing to discuss the opinion of the court, remarked that "it was no more than he had anticipated several weeks ago."

President Roosevelt having decided not only that Schley was a coward in making the famous "loop" at the battle off Santiago, and that neither Sampson nor Schley was in actual command at the battle, the historic fact remains undisturbed that it was the lieutenant colonel of the "Rough Riders" alone, who, in the language of Mr. Dooley, "took Cuba."

It is hard to believe that the "understanding between statesmen," to which the British minister, Mr. Chamberlain, referred a year or so ago, has gone as far as Secretary Hay implied when refusing to ask for passports for Mr. and Mrs. Thomas to enable them to succor the reconcentrado prisoners in South Africa. A committee organized by Gov. Yates, of Illinois, had raised funds for the relief of these hapless noncombatant prisoners, and in order to secure its fair distribution, had asked the Rev. Hiram W. Thomas, a well-loved clergyman of Chicago, and his wife, to go to the South African camps and superintend the distributing work. Mr. and Mrs. Thomas consented. But, passports from the British government being necessary, Secretary Hay was duly requested to apply for them to the British ambassador, Lord Pauncefote. Mr. Hay refused to do so, giving as his reason that President Roosevelt would object. To such a laudable application it would seem that the British government itself should have been left to make

the objection. Neither Mr. Roosevelt nor Mr. Hay was required to act as a "buffer." But our government, evidently, wished to avoid placing the tory government of Great Britain in an embarrassing position. Had Mr. Roosevelt requested the passports, and there is no legitimate reason why he should not have done so, but abundant reasons why he should, the British government would have been obliged either to grant the request or to disclose a cruel churlishness which it prefers to conceal. From this alternative President Roosevelt saves it. These "understandings between statesmen," with their little side courtesies in connection with coronations, are curious developments in imperial diplomacy.

THE TAX QUESTION IN MINNESOTA.

There are at present in the United States three great centers of tax agitation. One is the State of Ohio, the situation in which in this respect is described this week in Editorial Correspondence. Another is the State of Colorado, where a vigorous attempt to repeal the Bucklin tax amendment, without submitting it to popular vote, was defeated a few days ago, as described in these columns last week, but is again being made, as appears in the news department of this issue. The third is the State of Minnesota, where a special session of the legislature is considering the report of a tax commission.

The Minnesota tax commission—composed of G. S. Ives, W. J. Hahn and H. W. Childs—was appointed about a year ago for the purpose of framing a tax code for the state. It made its report early in the present year, and the special session of the legislature was called to act upon it.

Apparently from this report the commission was disposed to give to Minnesota a just system of taxation. But the constitution prevented it from doing so. Like so many ill-considered state constitutions, that of Minnesota requires the taxation of all kinds of property. The impossibility of making such taxation fair was recognized by the commission, yet its official duty was to draft a law to effect the consti-

tutional purpose. Accordingly, it drafted a complete code, in harmony with the constitution, for the taxation of all classes of property, a code which is so drastic that the business interests of Minnesota everywhere are up in arms against it.

Such a demonstration seems to have been anticipated by the commission, for along with its drastic and very unpopular code it proposed constitutional amendments calculated to develop an equitable fiscal system.

These amendments provide among other things that—

The power of taxation shall never be surrendered or suspended.

All taxes shall be uniform upon the same class of subjects within the territorial limits of the authority levying the taxes; and shall be levied and collected under general laws for public purposes.

The legislature may by general laws provide for the apportionment to counties, of the amount of revenue to be raised therein for state purposes, and may in any law providing for such apportionment authorize the counties to select the subjects upon which revenue is to be raised for state or county purposes, and to apportion such revenue among the cities, villages and townships of the county.

The problem before the Minnesota legislature, therefore, is four fold. It can adopt the drastic general property tax code; or it can adopt the code and the amendments; or it can adopt the amendments without the code; or it can let them all go by the board and leave the state to endure its present absurd and unjust system until another legislature relieves it.

With rare good sense the tax committees of the two houses procured the services of Lawson Purdy, of the New York Tax Reform Association, as a tax expert to address them in joint session, which he did on the 11th, having for his audience not only these two committees, but nearly the entire legislature. Mr. Purdy advised the legislature to adopt the amendments and to postpone all attempts at legislation for fiscal reform until these fundamental changes had set it free to enact a rational system. His advice on this point seems to have been prompted by excellent judgment. Said he:

What your tax system should be, I think it would be unwise at this time to determine. I propose to offer no

suggestions and trust that if you adopt the amendments to the constitution it will not be avowedly done for the purpose of making specific changes in your law.

The amendments in themselves are necessary and so good that their adoption should not be imperiled by being, even in thought, bound up with any particular tax system. The amendments should receive the votes of all without regard to their views as to what system the legislature should see fit to adopt when it has the power.

It may be proper to point out, however, some of the directions in which changes can be made with profit. The commission itself has done this, and done it wisely. Substitutes for the direct taxation of personal property have been adopted in many countries, and in some of the states, and almost all of them are to be preferred to your present antiquated policy. For myself, I wish to be distinctly understood as not in favor of taxing personal property directly or indirectly; but at the same time I would unhesitatingly urge the adoption of certain substitutes for the tax on personal property if my choice were confined to the tax as it now exists or a substitute for it. By some of these other plans, you can, if you desire, raise more revenue and impose the burden more evenly and with greater justice than can be imposed by any system of ad valorem taxation upon personal property.

The commission recommends what is known as "local option in taxation," and says: "It should be left to a large extent to the political subdivisions of the state to determine for themselves the objects for which revenue is to be raised therein and the subjects from which it is to be exacted." This plan has been tried in several other countries, and, in modified forms, in some parts of the United States. It allows progressive communities to experiment for their own benefit and for the benefit of all the rest. In its report the commission quotes a letter from the late David A. Wells, one of the greatest authorities on taxation in his day, in which he gives unqualified indorsement of the plan of reducing the size of the political unit which shall decide questions of taxation.

The problem of taxation presents different phases in the great cities of Minneapolis and St. Paul and in the sparsely settled rural counties. The system which may do very well for the rural community is oppressive in a great city and productive of all kinds of injustice.

The state of Minnesota has a great opportunity to make a magnificent advance. If it uses this opportunity wisely it can not only increase the prosperity of Minnesota, but also furnish an example to all the other states of the Union. The proper course for you to pursue is perfectly plain and sim-

ple. Your commission tells you, and what it says is indorsed by all authorities, that you should amend the constitution and be free to improve. At the same time you should avail yourselves of the large knowledge and experience of this commission. Continue its members in office and add two business men to increase its representative character. Instruct them with free hands to make a new code for Minnesota which shall be all that they desire to make it, unaffected by the restraints that were imposed upon them when they framed the code that is now before you.

The legislature of Minnesota could do no better for the honor as well as the well-being of the state than to adopt Mr. Purdy's advice. And at least one step in that direction has been taken by the lower House, which, on the 25th, by a vote of 54 to 60, defeated the tax code.

EDITORIAL CORRESPONDENCE.

Cleveland, Feb. 25.—Cleveland has not ceased to be the center of interest in Ohio politics. On the contrary, it is now also the center of influence. This is the result, immediately, of the election last fall, for the first time in half a century, of a full Democratic delegation to the legislature from this strong Republican county.

Tom L. Johnson began the fight, which has thus far encountered no set-back, when he entered the mayoralty campaign a year ago, and carried the city by 6,000 majority. The council, however—half of which was elected at the same time—was Republican; but obliterating partisan lines for municipal purposes, and forming a combination in the council against its "gray wolf" members, Mayor Johnson secured an honest councilmanic organization with a Republican in the chair, whose election was made possible only by the support of Johnson Democrats. One of the issues of his mayoralty campaign had been three-cent fares for street car service; another was municipal ownership of public service utilities; a third was equitable taxation; and, as he had for years been a pronounced supporter of the doctrines taught by Henry George, his adversaries forced upon him the single tax issue. The latter could not, of course, be a present practical issue; but, as a moral issue, Johnson did not shrink from it but gave it his candid indorsement.

As soon as he took the mayor's chair he instituted measures to redeem his campaign pledges. In this

he has so far demonstrated his good faith and ability, besides improving the general administration of the city, that his friends say he would, if a candidate at the approaching spring election, be reelected by 20,000 instead of 6,000 majority. Of his redemption of campaign pledges, however, I may say something farther on. Let me first direct attention to the influence of his work upon politics in the state at large.

Johnson's policy was first seriously felt outside of the city when, in behalf of the city, he sought to have the steam railroads taxed upon 60 per cent. of their true value—the valuation adopted for the taxation of business and residence property. He was balked by the county auditors, who sided with the railroads, for more or less obvious reasons, and taxed them at their own valuations, which were from one-third to one-sixth of the tax valuations assessed against small property owners. The auditors told Johnson that he must seek his remedy before the state board of equalization. Johnson went before the state board, another body of railroad agents and beneficiaries, which told him that all the power was vested in the county auditors, and refused to disturb their unfair decisions. So Johnson carried the question before the Supreme Court of the state. Here also the railroads were well fortified, no less than four of the judges having been railroad attorneys; and, unlike the Supreme Court of Illinois, it refused to interfere with the state board.

Meanwhile, Johnson carried the tax question before the people of the state. He made it the burden of his campaign speeches outside of Cuyahoga county, and the distinctive issue of the campaign within that county, with the result, already stated, of electing the ten representatives and four senators from Cuyahoga.

So popular had his fiscal agitation proved, and so impressive were the results wherever its influence had reached, that the Republican leaders felt it incumbent upon them to "steal Johnson's thunder" by undertaking to reform, through the Republican governor and legislature, what everybody now denounced as an iniquitous system of taxation—the same which for decades the Republican party had maintained and fostered.

In the resulting fight at Columbus one thing is amusing as well as in-