

The Chicago traction grafters.

The citizen or newspaper of Chicago, with any pretensions to intelligence, that is disposed even to consider the propriety of adopting the ordinance which the traction grabbers offer as a solution of the traction problem (p. 426), thereby justly becomes an object of suspicion. This ordinance is thrown defiantly in the face of a vast majority of the voters who were intelligent enough and public spirited enough to vote on the question. They have voted overwhelmingly against it three times. It demands a franchise for the full term allowed by law, without any other compensation than about a quarter of a cent per fare for the city and a pretended but invalid relinquishment of comparatively unimportant claims for litigation. And it proffers a referendum which would count for the company every citizen too ignorant or too lazy to vote on the question, which would force the initiative upon the believers in municipal ownership who have taken the initiative three times already and have each time defeated the traction grafters, and which if it went against the company would leave them in possession of a rich field for graft from which they could not be evicted as long as they could control a majority of the Council. It is barely possible that a fool may favor this ordinance honestly; but anyone who has intelligence enough to own a newspaper or to have secured a seat in the City Council has no reason to complain if his complaisance is regarded as an indication that he has bargained for his price. Since these insurance exposures, general denials are not so valuable as evidence of innocence as they were before.

Bribing newspapers and magazines.

The Star-Chronicle of St. Louis makes itself authority for the statement that the New York Life Insurance Company is trying to flood the country with false reports of the exposures of its scandalous management. Its publicity bureau sent to the Star-Chronicle

a "news" dispatch which lifted its scandalous conduct almost to the level of a loyal work of charity, and wired this version of the testimony to all the St. Louis papers with a request that it be printed as news with a news head above it, the line "Special dispatch to the —" and the date, and without advertising marks of any kind, at the same time authorizing each newspaper to make the price "whatever you like" and send bills to the home office. In its exposure of this proceeding the Star-Chronicle recited that on receipt of the New York Life's edited "news" and the accompanying request for publication, it had wired back its rejection of the proposal, offering, however, to print the cooked dispatch as a display advertisement. To this offer the publicity agent of the New York Life promptly replied: "Your proposition does not go. I ordered telegraphic news printed. When I order terrapin I do not propose to accept tripe." The Star-Chronicle refused to publish the dispatch. Other papers published it in the deceptive manner required, and presumably got their bribe money. Similar methods of bribing periodicals have been common enough. The railroads are even now bribing newspapers right and left all through the country. But heretofore it has been regarded as "pessimistic" to mention such facts. Now, however, exposures are widening out to such an extent as to make the sophisticated wonder whether Rockefeller and the Standard Oil crowd are not also engaged in it. Certain it is that a great silence with reference to Rockefeller's rascalities, and a great devotion of space to the bright side of this man of millions, a side hitherto concealed, coincide with an outburst of lavish advertising of Standard Oil specialties.

Philanthropy with unearned money.

There is in Chicago a philanthropist of the name of Pearson. He belongs to the class of seekers of something for nothing of whom Zangwill tells a significant story.

Zangwill's man prayed: "O Lord, give me \$100,000 and I will distribute half of it among the poor. Or, O Lord, if you can't trust me, give me \$50,000 and distribute the rest among the poor yourself." Mr. Pearson has been trusted, whether by the Lord or not is another story, and he appears to have been approximately faithful to his trust. At any rate, of his something for nothing he has distributed a share—mostly among small colleges, which are grateful enough to defend the economic institutions that give Mr. Pearson so large a proportion of the good things that other people earn and he does not. If it is unfair to say that his great income is an unrequited drain upon others, let us call the man himself as a witness. "Years ago," says that witness, "I saw that Chicago was to become a great city. I bought land." He adds that he worked. Perhaps he did, but whether his work was useful he does not say; and we all know that it was not the work he did, but the rise in the value of the land he bought, that has given him his great income. That income is unearned by him. Yet Mr. Pearson does himself an injustice when he says that his money "is no better than Rockefeller's." Rockefeller's money has been got by defrauding the confiding, corrupting public servants and throttling competitors, but Mr. Pearson has got his smoothly and lawfully every year as a free gift from the people of Chicago. There is a difference between loot and a gift. And yet, in the one case as in the other, the earner loses his own and a non-earner gets it. Perhaps Mr. Pearson understood and referred to this when he spoke of his money and Rockefeller's as being alike.

TOM WATSON AND THE LAND QUESTION.

Moved by a persual of Tolstoy's letter on the land question, Mr. Thomas E. Watson, the brilliant historian and People's party leader, who is editor of Tom Watson's Magazine, contributes to that periodical for October a characteristically interesting editorial

on the subject of private property in land.

Mr. Watson approaches his subject in the spirit that one might expect of a critical and conscientious historian, accustomed to comparing facts in the light of principles and challenging hoary historical falsehoods with new and startling conclusions. Asking if it is true that the real grievance of the masses is that the land has been taken away from them, if no reform will bring them relief until the land is given back to them, and if universal happiness would be the result of putting an end to the private ownership of land, he characterizes these as "grave questions" deserving "the most serious consideration."

But we regret to be obliged to say that he does not appear to have given his questions the serious consideration their gravity deserves.

One of the weaknesses of Mr. Watson's criticism is his historical argument in support of private ownership of land. This is an unexpected weakness from such a source; but it exists unless he has expressed himself unhappily, and is so obvious that the wonder is he did not detect the weakness, or its faulty expression as the case may be, in time to avoid it. He argues that history, teaching that private ownership of land is a flower of productive labor, has absolutely settled the land question in favor of private ownership.

Even were it conceded to Mr. Watson that the land question can be absolutely settled without being settled right, this apparent conclusion of his would still impress us as a rash one. Henry George's historical review of the institution of private property in land (chapters iv and v of book vii of *Progress and Poverty*) is better founded in fact and better supported by reason. It seems clear enough that the institution of private ownership of land is based historically upon usurpation, as George undertakes to show, and not upon productive labor, as Mr. Watson asserts.

But when Mr. Watson writes of "private ownership of land," the thought in his mind, we suspect, is not private ownership in the full

sense of that term, but in the restricted sense of equitable security of possession.

This interpretation, which would harmonize Mr. Watson's historical argument with the facts and philosophy of history, seems fairly evident also from a reasonable consideration of the following extracts from his editorial:

What is it that justly belongs to each citizen? It is his labor and the products thereof. . . . As a matter of fact, the right of each citizen to hold as his own a certain portion of the soil began with the laborer who claimed the products of his labor. . . . Having put his labor into the land, having changed it from a waste into a farm, it was the most natural thing in the world that he should claim it as his own. Why shouldn't he? He had made a farm. . . . If it was not just for the idle to rob the industrious, then we must leave the farm to the man whose labor made it a farm, and there you have private ownership of land. . . . The home is the sweetest flower of individual ownership. There can be no such thing as a home—a home to love and beautify and consecrate to the holiness of family life—where there is no private ownership.

Now all this is true, and self-consistent, if by "private ownership" is meant no more than undisturbed private possession upon equitable terms. But if by "private ownership" is meant that absolute right of property which a producer justly has in his own products, or in products for which he has traded his own, and which is commonly claimed by land owners under their titles—if that is what Mr. Watson means by "private ownership" of land, then those quotations from him make nonsense.

Let us consider the absurdity of the quotations upon the theory that by "private ownership" of land Mr. Watson means what is usually meant by the term—absolute ownership in contradistinction to equitable security of possession.

If only "his labor and the products thereof" belong to each citizen, then how can the laborer who changes an area of land from a waste to a farm, thereby acquire ownership of the land itself? The land is not a product of his labor. By producing the farm he does acquire ownership of the farm; but

not of the land, which comprises all nature both above and below the farm. The improvements, whether on the surface or merged in the soil, these his labor produces and these he therefore owns, but not the location. He did make the clearing, the improvements, the farm; he did not make the location, the site, the land. Therefore, on Mr. Watson's hypothesis, he justly owns the one but not the other.

Again. If "his labor and the products thereof" do justly belong to each citizen, as Mr. Watson asserts and we agree, then Emerson was right when he said, in "Mau the Reformer": "Whilst another man has no land, my title to mine, your title to yours, is at once vitiated." And Henry George was right when he wrote in "Progress and Poverty" (book vii, ch. i): "The right to the produce of labor cannot be enjoyed without the right to the free use of the opportunities offered by nature, and to admit the right of property in these is to deny the right of property in the produce of labor; when non-producers can claim as rent a portion of the wealth created by producers, the right of the producers to the fruits of their labor is to that extent denied." Is it not plain that private ownership of land, if it means monopoly of land, compels the landless man to yield a share of the products of his labor as tribute, in order to get permission to produce at all? Not merely like Burns's "poor o'er-labored wight" must he "beg a brother of the dust to give him leave to toil;" he must buy that leave, by relinquishing to "a fellow worm" part of what Mr. Watson rightly recognizes as wholly and justly his own—"his labor and the products thereof."

If Mr. Watson does mean ownership in the absolute and ordinary sense when he approves "private ownership" of land, he is guilty of the absurdity of contending that a citizen's right to own his own labor and its products, invests him with ownership also of that which enables him to levy tribute upon the labor and the products of the labor of others. He would not say that a miner owns the natural deposit and may charge others for mining, because he has mined it; or that a fisherman owns the

stream and may charge others for fishing in it, because he has fished in it; or that a mariner owns the sea and may charge others for sailing over it, because he has sailed over it. Yet this is where his argument leads to.

The absurdity becomes all the greater when we consider the actual circumstances in civilized life of the absolute private ownership or monopolization of land. It is not then the case merely of a laborer claiming ownership of the location of the farm he has made or of the home he has beautified. The claims of ownership which these quotations from Mr. Watson, interpreted literally, would sustain, comprehend vast areas of tillable locations on which no farms have been made; rich mineral deposits from which nothing is, has been, or is allowed to be extracted; myriads of desirable but homeless sites for homes.

And then there is the element of value. Your laborer changes a waste to a farm, let us say with Mr. Watson. Consequently Mr. Watson, literally interpreted, would give him not merely the farm but the location, so that when the farm is no longer kept up he would still own the location, which is neither his labor nor a product thereof. A city or town or village has meanwhile gathered around that location, and land once having no value for any purpose, though very useful for farming or home purposes, acquires comparatively great value for entirely different purposes. What would that involve? Simply this, that the farm maker, who has reaped the products of his labor from his farm as he has farmed it, may now exact the products of other people's labor for the privilege of utilizing, not his farm, which he made, but the location, which he did not make.

Illustrations typical of this effect of absolute private ownership are abundant in all cities and towns and villages. But the effect is not confined to centers of population. The coal and oil regions tell the same iniquitous story over and over again, in another way. And this way of telling it is suggestively illustrated by a less common and therefore more impressive instance in southern Louisiana near New Iberia.

Not so many years ago a family in that region owned, as they probably continue to own, the location or site of a farm. On that farm was a salt spring, of no great utility and of no very great value. But that salt spring led to the discovery beneath the farm of a vast body of salt, at the mining of which hundreds of men have since been engaged. But under the institution of private ownership of land, not one pound of that salt can be brought to the surface without paying toll to the owners of that location, who live in London. Now, the salt that they get for toll, of whose labor is that the product? Neither directly nor indirectly is it the product of the labor of the owners of the location. The institution of private ownership of land enables them to extort from others, as a condition of permitting the others to labor, a share of the labor and the products of the labor of the others. This is quite contrary to Mr. Watson's foundation principle, that "it is his labor and the products thereof" that "justly belong to each citizen."

Private ownership of land, when understood in the literal sense, means ownership of all nature from the surface of the location down to the center and out to the zenith. Or, as Daniel Webster expressed it, "a title to land reaches upward as high as to heaven and downward as deep as to hell." Such a title involves in the last analysis, the disinheritance of the working masses by a globe-owning class.

If this is what Mr. Watson means by "private ownership" of land, then his first proposition, that "his labor and the products thereof" are what justly belong to the citizen, does not support his second proposition, that private ownership of land is justified by its improvement. The whole contention is in that case grotesquely inconsistent and nonsensical.

Now, we are not willing to believe that Mr. Watson writes nonsense when he intends to be serious. Let us, then, consider the above quotations upon the theory that he means by private "ownership" of land, not absolute ownership or unassailable monopoly of location, but the right of un-

disturbed private possession upon equitable terms.

We grant that "his labor and the products thereof" are what justly belong to any man. Who can deny it? Mr. Watson could not have made a truer statement.

Granting this, it follows that products of labor which are affixed to or merged in the soil, as well as movables, justly belong to the citizen whose labor produces them or who receives them in exchange for what his labor has produced.

In order that such products may belong to him, he must have exclusive and undisturbed possession of the location or site to which they are affixed.

But his fellow citizens have as much right to utilize that location as he, and if they are crowded off by his occupation he should compensate them for their loss.

If other locations equally desirable are freely available to them, they suffer no loss to his advantage, and in justice he owes them nothing. But if his location is more desirable, simply as a location (including its natural benefits), than such as are freely available to them, then they do suffer loss to his advantage, and justice demands that he shall make good their loss so long as and to the extent that he profits by it.

Upon these principles, justice and the best interests of civilization demand that each citizen shall be protected in the right of exclusive and permanent possession of the location he improves, on condition that he comply with equitable conditions for the compensation of his fellow citizens whom he thereby forces to less desirable locations.

If, then, Mr. Watson means permanent occupancy on equitable terms, when he writes "private ownership," all he says of "private ownership" is true. In that sense it is a necessity of civilization, both historically and demonstrably. In that sense it does spring from productive labor. In that sense the site of the farm does belong to the farm-maker and the site of the home to the home builder.

But in that sense of "private ownership" of land, neither Leo Tolstoy nor Henry George is at variance with Tom Watson. What both would secure is that

full and complete enjoyment of "his own labor and the products thereof" which the masses of men cannot enjoy under the institution of private property in land as it now exists. For accomplishing this result, George has proposed a differential tax on land monopoly in the ratio of the value of holdings, concurrently with the abolition of all other taxes; Thomas G. Shearman has proved the fiscal practicability of this proposition; and Tolstoy has accepted it as being the best possible governmental method.

Mr. Watson has fallen into confusion in other parts of his criticism. He speaks of the present institution of private property in land as one thing and of misuse of governmental power as another. But the present institution of private ownership of land is itself a form, a fundamental form, of misuse of governmental power.

In this connection and with a surprising but evidently genuine air of innocence, Mr. Watson asks: "Why should railroad kings hunger for land, when they hold at their mercy the produce which toiling millions bring forth from that land?" But how do they hold this at their mercy? Simply by owning land of commanding location—that which commands points of shipment and points of delivery for the produce of other land.

Mr. Watson falls also into the common error of supposing that the Rothschilds are not great landlords. They are, in fact, the greatest in the world. Their railroad securities are titles to railroad land, including terminal points and rights of way; and their government bonds, what are these but pledges of sovereign power over the territory, and consequently over the people of the territory, which the governments issuing them represent? The power that the Rothschilds in any way exert over industry, how quickly it would all dissipate if the masses of men were not forced by land monopoly to beg for work on employers' terms.

Another slip is Mr. Watson's statement that "anybody who wants land can get it." This is an unfortunate example of Mr. Watson's liking for superlative forms of expression.

Still another is his assertion that "land is plentiful and cheap." Plentiful it doubtless is, though monopolized; but cheap it clearly is not. Probably Mr. Watson meant low priced when he wrote "cheap." It is true that there is plenty of low-priced land. But the lowest priced land is as dear as the highest priced—often dearer. The use of the highest priced land returns a profit on its price, over and above the cost of labor; the use of the lowest priced land will hardly return ordinary wages.

After all, however, the question really before Mr. Watson, and which, as the editor of a radical and independent magazine, he ought to answer if he touches the general subject at all, he has overlooked. It is this: If a man's "labor and the products thereof" justly belong to him, ought or ought not the tenure of land to be so adjusted that the value of improvements will be fully enjoyed, free even from taxation, by the improver or his representatives, and ought or ought not the value of location as distinguished from improvements to be taken for common use?

This is the thought in Tolstoy's mind. This is the thought that George expounded so clearly and forcibly that no one of intelligence is at this day quite excusable for not grasping it.

To grasp it is to understand that the real grievance of the masses is that the land has been taken away from them—real in the sense of fundamental, for they can escape no other social grievance permanently so long as this remains. It is to understand, moreover, that whether or not universal happiness would result from remedying the evil to which George and Tolstoy point, it cannot result without remedying that evil. It is to understand, finally, that irrespective of results, the reform that George and Tolstoy stand for is right.

Let's see: France and Russia were together in the late unpleasantness and England and Japan. But France and England are allied over this Moroccan business and France is joined to Russia. Therefore, if the German war lord makes good his bellicose bluff, the exigencies of alliance will—oh, pshaw, it's like comic opera.—Boston Globe.

NEWS NARRATIVE

How 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 so 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 Thursday, Oct. 12.

The Chicago traction question.

The battle ground of the Chicago traction conflict (p. 426) was shifted by Mayor Dunne on the 9th from the committee room of the transportation committee to the floor of the City Council. Owing to inaction of the committee, the Mayor addressed to the Council the following message:

At the last municipal election, held April 4, 1905, there appeared on the little ballot the following question to the voters of this city: "Shall the City Council pass an ordinance granting a franchise to the Chicago City Railway company?" Upon this question 151,974 voted "no," and 60,020 voted "yes." There also appeared at the same time the question: "Shall the City Council pass an ordinance granting a franchise to any street railroad company?" Upon this question 152,135 voted "no," and 55,013 voted "yes." The local transportation committee of your honorable body, instead of considering plans submitted by me in my message of July 5 for the purpose of bringing about municipal ownership of street railways, is now engaged in considering certain proposed ordinances presented by the Chicago City Railway company and the Chicago Union Traction company, contemplating the granting to such companies of new franchises for the period of twenty years. The consideration of these franchise extension ordinances, in the face of the above referendum, is in defiance of the express will of the people. For this reason I respectfully recommend that your honorable body direct the local transportation committee to cease consideration of the said proposed franchise extension ordinances and further report to this Council at its next meeting the ordinances submitted by me and attached to my message July 5, 1905, commonly known as the "contract plan." I herewith submit an order to that effect and respectfully urge your honorable body to pass the same without reference to a committee.

Adoption of the order submitted by the Mayor was moved by Alderman Werno, chairman of the transportation committee, as follows:

It is hereby ordered that the local