

which was claimed by its exponents has been amply fulfilled. It encourages improvement, stimulates the use of land, secures the unearned increment to those who have added the value, mulcts all lands in their fair share of taxation, and paralyzes the old system under which rental values on lands could, by simple manipulation, reduce local taxation to a farce. It is to be hoped that in the near future legislation will enable the unimproved system to be adopted for all those purposes for which it is now necessary to also undertake an assessment on the annual value basis. It is only stating a fact to admit that much, if not most, of the activity of the building operations of the city and surrounding during the past year is due to the influence of this healthy measure; and with the necessary restrictions to prevent overcrowding of buildings, no untoward result need be apprehended."

The effect of adopting this system of raising revenue has in every way been beneficial, while in some places the effect has been almost phenomenal. Take the case of Hamilton, a town in the center of an agricultural district in the north island of New Zealand. For three years prior to the adoption of the act, the population and land values were almost stationary. In the three years from the time of its adoption the value of land and buildings in the town increased from \$686,445 to \$1,423,760, while no such phenomenal increase was registered in towns similarly situated in other parts of the colony.

Of course it must be borne in mind that a special development necessarily applies to an isolated place adopting this method of taxation which would not apply if the whole country simultaneously adopted the reform. Take, for illustration, what happened in the city of Wellington. The demand for labor in the building trade was so great that employers had difficulty in getting men, and at some meetings of the master builders' association feelings ran high, one employer accusing another of having stolen away his men. The rate of wages in some cases went as high as four and six cents per hour above the wages fixed by the Arbitration Court, which fixes the wages in every branch of organized labor.

The working out of the tax everywhere means the relief of taxation on the homes of the workers, and the increase of the tax on vacant land and land made valuable by the people in the centers of population. In some cases as many as four out of every five of the local tax payers pay less than under the old system, these payments being mainly on the homes of the workers on the outskirts of the town.

Opponents of the system at first tried to make the workers believe that taxing on the unimproved value of the land, exempting all improvements from

taxation, would amount to letting the owners of large buildings in the centers of the city escape their fair share of taxation; but actual experience has shown that where the buildings are largest the tax falls heaviest, because of the enormous values of the land on which such buildings stand.

A few examples of specific cases in the cities of Christchurch and Wellington will illustrate the position pretty clearly. Following shows the changes in Christchurch from the old system in 1902 to the new in 1903:

Capital Value.	Land Value.	Tax 1902.	Tax 1903.	Remarks.
\$125,250	\$80,250	\$1,090	\$1,090	Bk. bidg.
.....	.....	1,670	1,650	Store & offices.
.....	.....	450	555	Newsp. offices.
11,000	21,000	380	430	Store.
.....	.....	25	17	Cottage.
2,200	475	30	16	Cottage.
2,275	450	30	16	Cottage.
.....	.....	12	10	Cottage.
.....	.....	15	5	Cottage.

The following table for Wellington, though different in form from that for Christchurch, also compares the old system with the new:

Annual Land Value.		Tax on Annual Land Value.		Remarks.
\$10,000	\$12,310	\$1,185	\$1,420	Bank.
3,250	8,275	385	1,115	Bank.
2,500	30,000	295	380	Bank.
2,250	40,000	265	505	Bank.
1,750	38,125	205	480	Insurance Co.
3,500	52,500	415	665	Hotel.
1,850	35,570	215	450	Hotel.
2,750	40,700	325	515	Hotel.
3,000	57,800	375	725	Hotel.
250	13,550	30	170	Vacant.
250	8,300	30	105	Vacant.
175	600	20	5	Cottage.
140	430	15	5	Cottage.
150	950	15	10	Cottage.
140	335	15	5	Cottage.
125	600	15	5	Cottage.
140	575	15	5	Cottage.

In addition to the beneficial effect of this system of local taxation, there is in New Zealand a national tax of two cents to the \$5 on the unimproved value of all lands, with exemptions up to \$2,500, and a graduated tax on large estates reaching to six cents in the \$5 on estates over \$1,050,000 value, making the total tax on large estates eight cents to the \$5.

GEORGE W. FOWLDS.

NEWS

Week ending Thursday, August 18.

In their prosecution of the Russian-Japanese war (p. 295), the Japanese have suspended aggressive operations against Liaotung and Mukden in the north, and made a determined attack upon Port Arthur in the south. The first evidence of Russian desperation at the vigor of this attack was the attempt on the 10th of their Port Arthur squadron to escape. It was sighted by the Japanese squadron and pursued. A sea fight lasting all the afternoon followed, in the

course of which the Russian formation was disorganized and the ships scattered. Most of them returned to Port Arthur. Others, in a disabled condition, took refuge in neutral ports. Rear Admiral Withoft, commander of the Russian squadron, was killed in the battle.

A combined land and naval attack upon Port Arthur was begun by the Japanese on the 15th. There are no details, but on the 17th it was reported from Tokio that Japan had on the 16th demanded the surrender of the fortress, offering to release all non-combatants. A reply was hourly expected, but there is no trustworthy report that any has yet been received. Japanese rumors of the 17th were to the effect that the Russians had refused the demand.

Meanwhile a naval battle with the Vladivostok squadron occurred off the Tsu islands, near that harbor. The Russian armored cruisers, the Rurik, the Gromoboi and the Rossia emerged from Vladivostok on the 14th and were attacked by the Japanese. The Rurik was sunk, and at latest reports the Japanese were pursuing the other two. In this battle the Japanese were commanded by Admiral Kamimura, whose squadron had been considerably depleted by the demand for ships to reinforce Admiral Togo in his operations before Port Arthur.

Out of some of the incidents of Togo's naval battle on the 10th, in which he scattered the Port Arthur squadron of the Russians, new international complications are threatened. One of the fleeing Russian ships, the torpedo-boat destroyer Ryeshitelni, took refuge in the neutral port of Chefoo, China, where it was captured by the Japanese. The Russian version of this incident is to the following effect:

When the commander of the Russian ship arrived at Chefoo he disarmed his ship, lowered his flag, and otherwise complied with all formalities. On the 12th a Japanese officer and party came on board as if for a conference, but immediately began to hoist their flag, whereupon the Russian commander threw the Japanese officer overboard ordered his party to be thrown into the sea, and having no arms with which to resist, ordered preparations to

blow up the ship. Explosions did occur in the fore part of the vessel, but she did not sink, and the Japanese took her out of the port.

The Japanese version is to this effect:

Upon discovering that the Russian vessel had taken refuge in the port of Chefoo, the Japanese vessels waited outside with a view to attacking her when she should leave. But she did not leave, and fearing that she might escape in the night and attack merchant vessels as the Vladivostok squadron had done, the Japanese entered the harbor the better to watch her movements. When they did this they found her undismayed. Thereupon they sent an officer with a party to notify the Russian ship that they expected her to leave by dawn or surrender. The Russian refused to comply with either demand, and while the conference was in progress he was overheard to give instructions to blow up the ship. He also threw the Japanese officer overboard, and the Russian sailors showed signs of resistance. About this time the forward magazine exploded, killing some of the Japanese party, and thereupon the Japanese captured the vessel and towed her out of port.

Russia has made a protest to the neutral powers against this act, which she describes in her circular note as "a flagrant violation of international law and neutrality."

From Berlin come reports of further fighting in the German war upon the Hereros (vol. vi, p. 209), of German Southwest Africa. The battle occurred on the 12th, and the Germans are reported to have lost in killed 5 officers (including Count von Arnim) and 19 men, besides 6 officers and 52 men wounded. There is a strong flavor in the report of something like a massacre of the natives. It reads:

The natives, who numbered about 6,000 fighting men, under old Chief Samuel Maherero, to whom the younger leaders had turned after their reverses, were concentrated in the Waterberg mountains. With their women, children and flocks they occupied a plain of meadowland roughly estimated at 250,000 acres, on which they had 50,000 head of cattle and 50,000 sheep, goats, etc. The approaches to the plain were difficult passes, so that the Germans had hard work forcing them. The number of the Germans is not known accurately, but as nine companies and four and a half batteries, with some irregular troops were engaged, the total probably was about 2,000 men. Deserters from the Hereros reported that the arrival of German reinforcements at Swakopmund caused great depression in the native camp.

Chief Samuel spent much time in having the Bible read to him. It seems improbable that many of the natives escaped, the German forces holding the mountain passes.

NEWS NOTES.

[The note last week in this department (p. 296) regarding the "American Association of Africans," should have read: "American Association of Opticians."]

—The British parliament was prologued by the King on the 15th.

—The biennial conclave of the Knights of Pythias opened at Louisville on the 15th.

—The encampment of the Grand Army of the Republic opened at Boston on the 15th.

—Waldeck-Rousseau, former premier of France, died on the 10th at his country residence near Paris.

—A boy child was born to the Emperor of Russia on the 12th. He is heir apparent to the Russian throne.

—The Republicans of Idaho on the 11th nominated Frank R. Gooding for Governor. The Democrats on the 16th nominated Henry Heitfield.

—Frank Buchanan, of Chicago, was on the 11th elected president of the Structural Building Trades Alliance at its session at Indianapolis.

—Henry G. Davis was formally notified on the 17th of his nomination by the Democrats for Vice President (p. 264), the notification taking place at White Sulphur Springs, W. Va., and being made by John Sharp Williams.

—The Supreme Court of Connecticut decided on the 12th that the bequest of Philo S. Bennett to William J. Bryan, described in a letter referred to in the will (pp. 41, 49), is not part of the will under the laws of Connecticut and is therefore not a valid bequest.

—Thomas E. Watson, of Georgia, and Thomas H. Tibbles, of Nebraska, candidates of the People's party for President and Vice President, are to be formally notified of their nomination at a public meeting at Cooper Union, New York city, on the 18th. The speakers announced are Samuel W. Williams, ex-Senator Allen, Mr. Watson and Mr. Tibbles. An electoral ticket of the party is to be put in the field in New York.

—The statistics of exports and imports of the United States (p. 248) for the month ending July 31, 1904, as given by the statistical sheet of the Department of Commerce and Labor for July, were as follows (M standing for merchandise, G for gold and S for silver):

M	\$4,883,431	\$71,123,520	\$13,759,911 exp.
G	1,083,219	8,925,418	7,842,169 imp.
S	4,534,514	1,381,017	3,153,497 exp.
	\$99,501,194	\$81,429,955	\$9,071,239 exp.

—Two Negroes convicted at Statesboro, Ga., and sentenced to be hanged for the brutal murder of a white family

consisting of a man, his wife and three children, were seized by a mob on the 16th and consumed in a bonfire of pine knots and kerosene. It appears that the troops who were guarding the prisoners from the mob were armed with empty guns.

PRESS OPINIONS.

PARKER'S SPEECH.

Johnstown (Pa.) Democrat (Dem.), Aug. 11.—On the whole, the speech of acceptance is exceedingly conservative. Its tone will perhaps be described by his especial admirers as judicial. It certainly is in contrast with the tone of Mr. Bryan's acceptance speeches in 1896 and 1900. And the progressive Democrats who have been proud to follow the leadership of Mr. Bryan will miss the ring of that brave man's voice in these rather colorless expressions.

GREAT BRITAIN.

Goldwin Smith, in Toronto Weekly Sun (Lib.), Aug. 10.—That people in England are gradually coming to their senses is shown by the continual success of the opposition in the by-elections, as well as by the reduction of the army. For the time at least the danger of protection is past. But the government elected on the issue of the war, and under the influence of the war fever, retains a large part of its huge majority, and, though its credentials are withdrawn, continues to legislate in the teeth of national opinion, making arbitrary use of the cloture. This is a warning of the mischief which unscrupulous politicians appealing to the war passion, may do.

COLORADO.

The Iowa Socialist (Soc.), Aug. 13.—In your excitement over the news about Kuroki and Kuropatkin don't forget the bullpenny in Colorado.

BRYAN IN THE SENATE.

Chicago Evening News (ind.), Aug. 11.—No one can deny that the Senate would be a more interesting place with William J. Bryan in it.

Johnstown (Pa.) Democrat (Dem.), Aug. 10.—Perhaps Mr. Bryan's ambition to carry Nebraska and go to the Senate is for the purpose of being in position to give the reorganizers in his party all the trouble possible. (Easton Free Press).—Mr. Bryan doesn't need to get into the Senate in order to give the reorganizers trouble. He will give them plenty of it between now and 1908, whether in the Senate or out of it. But is it not conceivable that Mr. Bryan's ambition to enter the Senate may spring from a desire to advance the cause for which he stands?

Prof. George E. Beers, formerly secretary of the Yale law school, tells how a colleague in the department of philosophy was interrupted in his study of the workings of a child's mind. Prof. Beers was passing the philosopher's-house one day, when the latter's small son came running out of the garden where he had been walking with his father, crying bitterly.

"Well, little man!" said Prof. Beers, "is it as bad as all that? What's wrong?"

The boy, pointing to his father, exclaimed between sobs: "That fool over there is trying to make me think."—N. Y. Times.