

asked to acquire foreign land, and to exercise authority over its inhabitants, without any intention of ever laying it out into separate and independent states—nay, with the distinct and express intention of holding it and its inhabitants in perpetual subjection to laws which they are to have no voice in making. That was the Roman theory of government. It is the opposite of ours. Even by treaty, the United States cannot—consistently with our established principle as to territorial expansion, with our theory of self-government, or with the spirit of the federal constitution—acquire the Hawaiian islands except for the purpose of admitting them to all the rights and privileges of states in the American Union.

For no purpose whatever can the United States constitutionally acquire Hawaii by joint resolution of congress. Of the soundness of this proposition there is no room for reasonable doubt. Yet the imperialists, unable to secure a two-thirds vote in the senate in favor of accepting the cession of Hawaii by treaty, have set out to accomplish their ends by means of a joint resolution, the passage of which requires only a majority vote. Shall this bald usurpation, this unconcealed contempt for the highest law of the land, be allowed to succeed? That is the present and only immediate issue in connection with the Hawaiian question.

#### WAR BURDENS.

To carry on a war the people must bear the burdens. They must fight, as soldiers; and they must furnish supplies and munitions, as tax payers. Of necessity the first burden falls with greatest weight upon the poor and middle classes. An occasional representative of the rich may go to the front, but the number is few. Most rich men have important business interests at home, which must not be sacrificed so long as the other classes are numerous—so numerous that many of them are without employment and can just as well as not be spared to relieve the rich of the hardships and dangers of fighting. Count over our soldiers to-day and you will find it no exaggeration to say that they are mostly of the lower and middle classes.

But the same classes are doing the tax paying, too. Look for the war tax burdens and you will find them, like the soldier burden, resting upon the broad but overweighted shoulders of the middle class and the poor. With exquisite discrimination, the war revenue law has in the main been so drawn as to increase in severity as it descends in the social scale.

The small banker, with \$5,000 or \$10,000 capital—and there are many such in the West—must pay as high a special tax as the banker with a capital of \$25,000. Brokers doing a business of \$500 or \$1,000 a year, or those who carry through only an occasional transaction by way of eking out other earnings, are required to pay as high a license fee in support of the war as rich brokers whose transactions aggregate millions a year.

Besides paying this unfairly apportioned license fee, the struggling broker must also pay the same stamp tax on his memoranda of sales that his rich competitor pays. Among the poorer brokers fighting for a living, transactions yielding a commission of a few cents are not uncommon; yet the broker must either deduct ten cents from his commission for the stamp tax, or risk losing the job by increasing his commission enough to cover the tax. And if he does increase his commission, the person finally paying it is as poor as himself, so that in either event this tax falls upon poor men. But the broker who wears broadcloth and fares sumptuously every day, each of whose transactions yields commissions so large that the cost of a ten-cent stamp cuts no figure, is required to pay no higher war tax than his poor and struggling competitor. The war tax on brokers, both for permission to do a brokerage business and upon each transaction, unjustly discriminates against the poorer brokers—or his poor customers, if you please—and in favor of rich brokers or their rich customers.

A similar discrimination is made with reference to bank checks. Within the past decade, bank checks have come to be used more and more, by the middle and poorer classes, as a substitute for currency. Rich men use bank checks, it is true; but, in proportion to the sums represented, the number of checks they use is very small as

compared with the number used by their poorer neighbors. Yet every check, whether \$1 or \$1,000, must bear a two-cent stamp, neither more nor less—as much for the poor man's little check as for the rich man's big one. This is, consequently, a grossly discriminating tax against the poor.

In still another way the check tax tells against the poorer classes. By far the largest amount of checking is done in carrying on the businesses of which the poorer classes are the largest customers. So far as the check tax falls upon this checking, it is part of the cost of doing those businesses, and must somehow be recouped in higher prices by the manufacturers and merchants who first pay it. The poorer classes, therefore, even those who keep no bank account and never draw or handle a check, will pay a large proportion of the check tax in higher prices for the goods they consume.

This latter consideration holds good, too, in respect to a large share of the tax on telephoning, telegraphing, bills of exchange, bills of lading, receipts, charter parties, express and freight receipts, custom house entries, and warehouse receipts. In the distribution of the cost of producing and delivering goods to consumers, which is accomplished through the price of goods, the poorer classes will be obliged to bear much the larger proportion of all these taxes.

And of the tax of ten cents a pound on tea, it is obvious that the poor must pay most of it. Tea dealers cannot continue to import tea, paying this tax, and yet sell it at the old prices. They must and they soon will add the tax to the price of the tea. Either that, or they will sell a poorer quality of tea at the old price, which would come to the same thing. In the first place, then, the poor will pay a large proportion of the tea tax because they are the great consumers of tea.

But it is not for that reason alone that the poor will bear the brunt of the tea tax. They will bear it also because the tax is levied in proportion to quantity instead of value. It is what is called a "specific" as distinguished from an "ad valorem" tax; and "specific" taxes press most heavily upon the poor. Whether the tea be worth 30 cents a pound or \$1 a

pound, the tax per pound is the same—ten cents. Consequently the poor must pay 40 cents a pound for 30-cent tea, while the rich pay \$1.10 for \$1 tea, a tax of 33 per cent. on the poor man's tea, and only ten per cent. on the rich man's.

The same principle of taxing the rich at a lower percentage than the poor—this principle of "specific" taxes—is applied to cigars and alcoholic beverages. Upon the poor man's five-cent cigars and the rich man's 25-cent cigars, the tax is the same. If a rich man and a poor man were to smoke the same number of cigars, each would pay the same war tax, though the former smoked five times as much tobacco, in value, as the latter. Common beer is distinctively a poor man's beverage. Whether he ought to drink it or not is aside from the question. He does drink it. But his war tax upon it is the same as the war tax upon expensive beer, ale or porter. Let the value be five cents a schooner, or 25 cents a pint, there is no difference in the tax. The same species of discrimination in favor of the rich creeps up among the wine drinkers. Your rich man with his \$2 pint of champagne at dinner, and your poor man with his pint of vinegar Rhenish, or claret at a cheap table d'hote, pays, for pint, the same tax in support of the war.

Even in amusements the discrimination persists. Theaters of large capital, and ambitious little theatrical ventures, are taxed alike. To the one this tax is a trifling incident; to the other it is large enough to turn the scale between success and failure. Barnum & Bailey's great three-ringed circus, and the little old-fashioned, one-ring affair which survives in the back country, are taxed the same amount—an even \$100 for each. And the cheap second-hand billiard table of the small proprietor, is for purposes of taxation raised to complete equality with the expensive affair of the proprietor who caters to a rich trade. Five dollars is the invariable and undiscriminating tax.

A careful examination of the war revenue law strengthens the impression that Thomas G. Shearman's estimate regarding it is close to the truth. According to his estimate, only ten per cent. of the war tax falls upon the

class which lives exclusively upon accumulated wealth. Of the remaining 90 per cent., 30 falls upon people who live partly upon their labor and partly upon accumulated wealth; while 60 falls upon people who are dependent solely upon their daily labor.

That a more equitable system of raising war funds could have been adopted, no one can intelligently deny. Direct taxation, especially if it were levied upon land monopoly, would raise an abundant war revenue, without either placing the burden upon the poor or taking anything from the rich that belongs to them. But whether greater equity could be secured or not, the fact remains that under the existing law for raising war revenues, the burden of supporting the war, like the burden of fighting in it, falls chiefly upon the poorer classes.

## NEWS

Two days of bloody land fighting and heavy sea bombardments before Santiago, culminating in the attempted escape of the Spanish fleet under Admiral Cervera, and its total destruction by Com. Schley, are the great war events of the week.

When last week's issue of The Public went to press, the front of the American army in Cuba, under Gen. Shafter, occupied an elevation to the west of the Guama river, about three miles east of the city of Santiago and some seven miles northeast of Morro Castle. This position had been carried, as narrated last week, by the advance from Sevilla beginning on the 24th of June and ending on the 26th, in connection with which the La Quasina skirmish occurred on the 24th, when the first American blood of the war was shed in battle. When our last issue appeared, no further movement was contemplated immediately, Gen. Shafter being anxious first to bring up his artillery, which was then on the way from Baiquiri; nor was any movement made in force until the morning of July 1st. Then the serious fighting began.

It is very difficult if not quite impossible to describe the battle with accuracy, owing to the hysterical character of the accounts as yet received. The efforts of the war correspondents seem to have been directed more to-

ward exciting emotion than to giving connected information. In this respect the reports from Santiago are in notable contrast with McCutcheon's luminous report of the battle of Manila bay. Nevertheless, the general features of the Santiago fight may be picked out.

Full preparations for the first day's battle were made on the night of the 30th, and at 3 o'clock on the morning of the 1st, Gen. Lawton, who commanded the right flank, moved toward El Gauéy—miscalled El Caney in the newspaper reports,—an aristocratic suburb about three miles northeast of Santiago; while Gen. Duffield, in command of the extreme left advanced by rail toward Aguadores, on the coast to the east of Morro Castle. Gen. Wheeler commanded the center, with San Juan, to the southeast of Santiago, as its objective.

At sunrise on the 1st, Capt. Capron, father of the young officer who had been killed at La Quasina a week before, opened fire with his battery, which occupied a steep bluff about a mile and a half from El Gauéy; and by 6 o'clock the battle at this point was raging. A retreat of the Spaniards from El Gauéy was cut off by Cubans under Garcia and Castillo, in a short but hot fight, the Spaniards falling back again upon Gauéy and renewing their resistance to the American advance. Meanwhile Gen. Lawton had been moving rapidly upon Gauéy. Coming within range he was met by a fierce rifle fire from the intrenchments. His men spread out to the extreme right, taking advantage of every tree and bush for shelter, and firing whenever a mark appeared. But every move was forward, and by the time that Capron had battered down the stone fort at the edge of El Gauéy, the infantry had reached the outskirts of the village. Here they divided and advanced in two directions, firing as they maneuvered. Showers of bullets met them from every side, but they pressed on until the defenses were cleared and the town captured.

While Gauéy was being fought for at the right, Gen. Duffield, supported by the navy, made a feint upon Aguadores at the left, and then retired. The bombardment from the ships in connection with this feint was terrific.

It was at the centre, however, that the bloodiest fighting occurred.