

as usual, the landlords have won. The great thoroughfare is to be built; it will increase ground rents throughout the neighborhood; the landlords are to pocket the increased ground rents; and the people who bear the burden of the taxes—the poorer people bear most of it—are to foot the bills. Then, at the end, the London landlords will be still further confirmed in their notion that they are the upper classes and that the London landless, who bear the burdens of making them rich, are men of inferior clay. Perhaps they are right. Men of better clay wouldn't tolerate the arrogance of these parasites.

There is no difference between the hunger of London landlords for "unearned increment" and that of Irish landlords. After 20 years of passionate opposition an Irish local government bill has passed the British house of commons without an angry word, as smooth as the flight of a gull. That miracle of legislative miracles was accomplished by the shrewd device of tax exemptions for the benefit of Irish landlords and sub-landlords. Landlords are to pay no local rates, and the county councils cannot tax them. For all local improvements tenants and laborers must foot the bill, while landlords pocket the benefits. Without this concession the landlord interest in parliament would have defeated the bill; with it the people of Ireland are no better off than before. They will continue to work for the landlord.

The London Spectator thinks it odd that Gladstone did not perceive that Irishmen are free. So do we. And we think it would be rather difficult for anyone who disputes it, to answer the Spectator when it asks: "In what are Irishmen not as free, in any true sense of freedom, as Tories are, indeed, as free as the English, as free as the Scotch, as free as Americans. Yet it does not follow that Irishmen are really free. Only some Englishmen, only some Scotchmen,

only some Americans are free. The great masses everywhere, no matter how free their form of government, are subject to monopolies which serve the ends, in this politically freer era, which autocratic government served in an earlier era. The real explanation of Irish discontent is not that Irishmen are less free than the masses of English, Scotch and Americans, but that oppressive economic institutions to which these have grown accustomed make the Irish sore. They themselves suppose they are restive under English political institutions, which bear upon them with peculiar severity. But what they are really restive under, as the "no rent" agitation went to show, is the economic institution of landlordism, which bears upon them in the same way and with the same severity as upon their brethren across the channel and their cousins over the Atlantic. The reason they feel this as English tyranny, instead of recognizing it as an evil under which the landless everywhere are suffering, is because their landlords are mostly Englishmen or absentee descendants of English land grabbers.

Were it not for being accused of punning, we should be tempted to say of that really useful magazine, *Self-Culture*, that it sometimes needs a little. So does its critic who reviews Henry George's theory in the July number. Thoughtful readers of George's works will be interested to learn, upon the authority of this critic, that George has utterly failed to show definitely how land as raw material, and made or improved land, "can be separately treated so as to do justice to the individual's right to enjoy the results of his own labor." If the author of *Progress and Poverty* made anything clearer than anything else, it was this. He showed that economic rent is the measure of the value of land as raw material, and that by taking economic rent for common use, while exempting land improvements along with all other product values, "the individual's right to enjoy the re-

sults of his own labor" would be secure.

In another place in his *Self-Culture* article, George's critic quotes a Cornell professor. George had said that social progress increases land values by increasing the demand for land; to which the professor replies, "as to agricultural lands," that improvements bring in better grades, thus throwing poorer grades out of use and decreasing rents. If this means anything, it means that improvements in transportation, etc., have brought into use distant lands of higher fertility and put out of use the nearby lands, thus reducing the rents of the latter. But what about the rents of the former which before the improvements were at zero? Henry George never said that social progress might not reduce the rents of particular lands. What he maintained was that it tends to increase rent as a whole. Moreover, Henry George was dealing with land, all land, not agricultural land alone. To segregate agricultural land from other land, therefore, in order to reply to him at this point, is either stupid or dishonest. Even if agricultural rent as a whole were to diminish under the influence of improvement—in fact it has not diminished—yet that would be no refutation of George's position, if at the same time the rent or value of other than agricultural lands, urban lands and mines, for example, had increased.

To the mind of *Self-Culture's* critic, the strongest argument in favor of the single tax, upon his own confession, is that in regard to "the unearned increment." Here he shows how much superior his own mind is in economics to the second hand mind with which universities equip their economic students. But the second hand mind obtrudes, nevertheless. For he declares that even the unearned increment "is not without its counterbalance." Behold now the counterbalance. We state it in his own language: "If we admit the injustice of permitting the individual

to retain that which is clearly the product of the community by reason of its growth, we must also admit the justice of repaying property owners for loss occasioned by the decline of the community." This argument is a stale chestnut of college economics. It amounts to this, that if the community takes the "increment" of land from landlords whose lands increase in value, it must recompense for "decrement" the landlords whose lands decline in value. Even an undergraduate ought to see through that piece of sophistry. It is very transparent. We have only to consider that the community loses the so-called "increment" which landlords gain, but does not gain the so-called "decrement" which landlords lose. Wherefore, should the community make good those losses from which it derives no benefit, as a condition of appropriating the gains that belong to it? If the "increment" belongs to the community, the community can by taking it fall under no possible obligation to indemnify anybody for losses incurred in trying unsuccessfully to get some of it. To this academic view of the question we might add the practical one, namely, that under Henry George's single tax theory, landlords whose lands decreased in value would pay a lower tax accordingly. The academic point therefore is of no practical importance.

We are under the necessity of apologizing to our readers for having stated last week that a clique in Mark Hanna's Cleveland bailiwick had obtained a charter for the First National bank of the Philippines. This was a mistake. What we had in mind was the first national bank of Hawaii. For eight years Perry Heath, of Cleveland, has annually renewed an application for the First national bank of Hawaii, in anticipation of the annexation of those islands. The annexation having been made, Mr. Heath is now the fortunate forestaller of a bank charter under the authority of the United States, for Honolulu; and upon de-

positing United States bonds at Washington, for which he will continue to receive interest the same as if they were in his own strong box, the government will lend him as much currency as he requires, without interest. It is "a soft snap."

It appears from later reports that we were only a week too early in speaking of the first national bank of the Philippines. One week later and no apology would have been necessary. An application for permission to organize the First national bank of Manila is now on file, and the "soft snap" there will doubtless be forthcoming if we annex the Philippines. In these occurrences, the real inwardness of the imperialistic policy may be observed.

Some of the "business" papers are crowing over the commercial statistics which show that within a year the United States has marketed \$1,210,274,015 worth of domestic products, while receiving back only \$616,052,844. This shows that we have sent out of the country \$594,221,171 worth of produce more than we have received back. But isn't that a losing rather than a gainful state of affairs? Suppose nothing should ever come back in payment of the balance, how would the United States have been benefited? Wouldn't this country be just \$594,221,171 poorer?

If that is good trading, why not throw our goods into the sea? By doing so, we could always prevent an excess of imports. All we should have to do, whenever our imports rose a million or so above our exports, would be to dump two million or so into the briny deep. The balance would thus once more be shifted to the "favorable" side. By following this method strictly, we could maintain a "favorable" balance perpetually.

We are told, however, that the balance will come back to us in gold, and thus make money plentiful. Those who say so know better, unless they are fools. Not as much gold as

that has come to this country, in excess of what has gone out, for more than ten years; nor could anything like that amount be expected to come in for the next five years, in excess of what goes out, even if gold imports were phenomenal. This balance of nearly six hundred millions, which foreign countries owe us as the result of the past year's trading, will never be paid off in gold; nor so much as a moderate fraction of it. If paid off at all, most of it must be paid off in goods. And if it were paid off in goods, how could our "business" papers then crow over an excess of exports? To pay that balance in goods at some time in the future would be at that time to throw the balance the other way. But that would never do. If there be any virtue at all in the theory that an export balance is a favorable balance, then the export balance must be kept up; which means, since we are not to get our pay in gold, that we are to lose the larger part of the balance altogether.

An astonishing crusade against money lenders is said to be under way in the British house of commons. The money lending committee, it is understood, have resolved to recommend a law providing that whenever a money lending transaction comes before a court all the circumstances shall be reviewed, the account shall be reopened, and the judge shall have the power to fix any rate of interest he deems proper, and to compel the return of all interest in excess of that amount which the borrower may have paid. This sort of legislation is not confined to England, nor to a time there when great money lending scandals have come to light. It is as old as the days when Christians borrowed of Jews only to defraud them, and we are familiar with it on the American side of the Atlantic. But why should such restrictive laws be passed in any country. Why may not men contract as freely with reference to the terms of a loan as to the terms of a sale? Lenders resort to no coercion to com-