

company so that the directors of an insurance company can lend themselves the policyholders' money at 2 per cent. and earn 10 per cent. with it and pocket the difference. Mr. Ghent's idea of private graft is different, for his article discusses mainly the adulteration of food, although he devotes some lines to quack physicians and "fake" telegrams and editions of metropolitan newspapers.

The Socialists pride themselves upon their historical studies and deride generalizations which are not based on what they are pleased to entitle "the economic interpretation of history." It is strange, therefore to find a leading Socialist writing an article in which he not only says graft when he means adulteration, but in which he writes of adulteration as though it were a modern invention. History tells us that goods have been adulterated for centuries. Nor is Mr. Ghent in accord with the interpretation of history in the reasons he gives for the prevalence either of graft as generally understood, or of adulteration of food. He says:

"The incentive to graft is thus the individualist competitive mode of production and distribution. Men graft because they have to or perish; and having to they must needs feel that grafting is right, and by no appeal to the conscience of the individual can grafting be eliminated. It can be eliminated only by a revolutionary change in the mode by which we make and distribute goods."

But adulteration has increased, not because the struggle for existence is any fiercer, but because the change from domestic to factory preservation of foods has enormously increased the opportunities for adulteration. Nor does the real graft which is the subject of magazine exposure usually result from the severity of the struggle in making a living. The expert and colossal grafters have not been \$9 a week clerks, but \$10,000 or \$50,000 a year managers and directors and multi-millionaires.

The reason for graft lies elsewhere. Primarily it is that government has conferred special privileges that not only makes it easy for the possessors to acquire fortunes from such privileges but to enable them also to levy a secret tribute. Witness the "grafters" of the Pennsylvania Railroad Company, who accepted presents of coal company stock in return for supplying cars. And honest manufacturers finding themselves undersold by competitors who get secret rebates have to choose between ruin and adulteration. Not the competitive system, but the legal obstacles placed in the way of competition so as to divert profits to monopolists have led to the present era of graft.

A. C. PLEYDELL.

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ANOTHER ECONOMIC PHILOSOPHER.

Wendell Phillips used to say: "There was nothing more timid than one million dollars, except two million." The truth of this is forcibly illustrated in the leading article in the June number of the *North American Review*. This lengthy article, of over twenty pages, is a cry to millionaires to save the republic.

It appeals both to their patriotism and avarice, to make haste, while there is yet time, and save themselves and all the rest of us who own property, from the ignorant ballots of those who have nothing to sell but manual labor. Evidently the late decision of the American Federation of Labor to enter politics has alarmed the defenders of special privilege, and now they are asking monopoly: "What shall we do to be saved?"

The editor of the *North American Review* assures its readers that the author of this article, who signs himself "X," is "the most profound philosopher in the United States to-day."

That he is profoundly in earnest is evident, and wise enough to recognize the present unjust distribution of wealth as a subject of supreme importance to millionaires, as well as to the wage earners. He says, what we Single Taxers have for years been declaring, that, "by its side, all other questions under political discussion are of little or no importance."

He pleads earnestly with millionaires "to join with those who are absolutely free from envy of their wealth, and absolutely devoid of unkind feelings towards them, in trying to discover"—a remedy, before it is too late. He assures these owners of vast millions that it means something when cartoonists, magazine writers and reformers all unite in making them the "storm centre" of attack. But who is to blame if millionaires give no heed? We—the people; for says he "should have told them, that the sudden possession of unearned millions of money had always exercised a most disastrous effect upon weak minds," and then the author points to Athens, Rome and the French Revolution. Surely all these ought to frighten "our millionaires" into adopting his remedy at once.

The danger, so argues the philosopher—lies in the free ballot, in the hands of poor, ignorant men who own no property, and because of this, and of present unequal wealth, there is "no ultimate security for a single dollar of private property."

Again, "No title to property, or privilege of any kind, can, to-day, have any other sufficient basis, than that named by Lord Coleridge—that such title is consonant with the general advantage, all other sources of title to property and privilege have disappeared before the growth of the modern idea of equality of rights." Shades of Jefferson and George! Enlighten the mind and heart of this friend of the republic re-

garding the natural and inherent rights of men, and make clear to him also the true basis for private ownership in the things a man produces by his labor and capital, be they many or few.

And now listen to his remedy. But no, I will not spoil the interesting article by a brief quotation. Should such rank socialism be advocated by a Bryan or a Gompers what a hue and cry it would raise, because these men stand for action as well as principles. Impractical theories are quite safe.

One idea expressed by "X" is extremely entertaining, in that it is wide of the truth, but can be brought so near it by the addition of only a word or two, here and there; all of which goes to show how very near he is to a great truth, but alas, how blindly he is groping after it. I quote in full, changing his socialism to Single Tax philosophy, by means of a few parentheses.

"The time, indeed, is perhaps not distant when everybody possessing private property (in valuable land or in franchises) will be required to answer these two plain questions: 'How much have (do) you withdrawn (withdraw) from the common store (ground rent)? and 'What service (tax) did (do) you give in return for it (such privileges)?' And again: 'Unless some moral (and economic) basis * * for present grossly unjust inequality * * is soon found * * we may encounter in the coming Presidential election, a situation infinitely more disturbing and infinitely more dangerous than ever has before been encountered.'

Does not this remind one of what Henry George said at Saratoga sixteen years ago? "Gentlemen, don't quibble and split hairs about this matter. It is too solemn, too important. It involves the happiness, the health, the lives, the very souls of human beings. It involves the progress of society, the fate of civilization." * * "In turning from us, even though it be to milk and water socialism, you are turning to the road that leads to revolution and chaos." * * "You must chose between the Single Tax, with its recognition of the rights of the individual, with its recognition of the province of government, with its recognition of the rights of property on the one hand, or socialism on the other." * * "If you reject the Single Tax, look to it, from what you turn, toward what you are going."

ELIZA STOWE TWITCHELL.

HON. TOM WATSON AS AN ECONOMIC PHILOSOPHER.

The latest opponent of the Single Tax is Thomas E. Watson, editor and publisher of *Watson's Magazine* and quondam candidate for the presidency in the last campaign. Many Single Taxers supported him for the want of something better to do. We are unfortunate in our political alliances. That we, who are the foremost

apostles of liberty, should be found in alliance with a gentleman whose theory of human rights excludes the black man and the brown, was sufficiently grotesque. But politics, as has been said, makes strange bed-fellows, and it may be said in apology that the virulence of Mr. Watson's hatred of the negro was hardly suspected until he started a magazine devoted to "reform."

Mr. Watson has written a very picturesque history of France; he has also given us a Life of Thomas Jefferson, and he is a rapid and engaging writer who may say many foolish things, but never in a wholly uninteresting way. But that he should be taken seriously by the friends of reform is one of the humors of the situation. For his ignorance of economics is amazing; his suggested remedies, as far as he has any, are the borrowed trappings of a pseudo socialism, and his brutal and unfeeling assaults upon the negro are a measure of the man who comes before us as an advocate of a higher civilization.

In this, his latest attack upon the Single Tax philosophy, printed in *Watson's Magazine* for April, Mr. Watson assumes to be the practical teacher addressing the purely theoretical—and of course wholly impractical—advocate of the Single Tax. "Mr. Doctrinaire," he calls him. There would be no objection to this if he were not himself occupying a position which is *par excellence* the doctrine of the doctrinaire. From what he assumes to be this vantage ground he advances to the attack. He talks of "a state of Nature;" of men resigning a portion of their individual freedom when they enter the nucleus of families that compose the State; of the benefit of this voluntary surrender in the new advantage derived from the protecting arms of the community. He assumes that out of this voluntary agreement arose the institutions of private property through a perception of their advantages, and thus that they are well nigh impregnable to assault. He accuses Tolstoy of avoiding history in his speculations, and if this is the kind of history Mr. Watson refers to he is quite right, for there is no such history in time of which man has any written or even traditional knowledge.

What is all this but a modification of the purely doctrinal structure, of the *a priori* sort, of the "*Contrat Social*?" Rousseau taught that the origin of government arose out of an agreement by which the individual subordinated his own volition to the general will. By voluntarily surrendering his rights in nature, or his primitive rights, the individual is indemnified by the gift of civil liberty and the protection of the government. Out of this compromise grew our institutions of property—property in chattels, property in land, and of course property in slaves.