

But Part IV of this Urban Report is by far more significant than any other division of either volume. Indeed, it is probably one of the most important taxation documents published in recent years. Any student of economics and the land question, any individual in America or Britain who fails to read it will have lost a golden opportunity for enlightenment, will have left unlit a lamp that would illuminate for him his nation's darkest problem.

Great Britain rings today with discussion and praise of Chancellor Lloyd George's 1914 Budget. Read this part of the Land Enquiry Committee's report as it deals with Rating [Local Taxation] and you will understand how and why Unionists and Liberals alike pronounce this sixth Budget of Mr. George's, second only to his great Budget of 1909 in splendid power. Read everything the Committee have to say: Their classification of the grievances of ratepayers into: (1) "the grievance of the man who improves against the man who does not improve"; (2) "the grievance of the occupier as against the owner"; (3) "the grievance of the ratepayer [local taxpayer] against the taxpayer" [national taxpayer]. Their clear definition of terms and description of hardships under the present laws. Their plan for the ultimate transference of all rates to site values and their argument against any such immediate complete transference thereof. Read their discussion of national taxation through their conclusion that "the arguments in favor of the principle of a national site tax as one of the sources of national revenue are unanswerable. But the question assumes quite a different aspect when we leave its justification in principle and come to consider the question of its immediate applicability when viewed in connection with the proposals already put forward for the rating [local taxation] of site values, the carrying out of which simultaneously with the relief of local rates we regard as of vital importance." Most assuredly read also, Appendices B. and C., two taxation schemes neither of which the Committee as a whole sanctioned, but both of which they ask the nation to consider.

Read all this. Then realize the breathless awaiting of the land valuation in all Britain as provided for in the 1909 Budget, that stupendous task to be completed next year. Realize, too, the complexity of the Imperial versus local taxation problem that British Finance Ministers for generations have let fearfully alone, and get a glimpse not only of Chancellor Lloyd George's boldness of attack upon this hydra, but of his consummate cleverness in training it to further his purposes—in actually making his Imperial grants-in-aid into a *tool* for taking the tax off industry by reducing the rates on improvements. This has Lloyd George proposed in his Budget, this, and yet he has set nothing in motion which might

block a sweeping reform in taxation when the land valuation is finished next year.

There is manifold reward, besides the keen joy at the time, in the reading of the Land Enquiry Committee's report. There is a gain in the power to appreciate a nation's need and the united response of its great souls thereto. A. L. G.



ECONOMIC EXPLOITATION: ITS HISTORY.

The State. By Franz Oppenheimer. Translated by John M. Gitterman. Published by The Bobbs-Merrill Company, Indianapolis. Price, \$1.25.

Other writers have covered the history of our own times from a sociological point of view, but in tracing the development of the state from its socio-psychological genesis up to its modern constitutional form, Professor Oppenheimer, of the University of Berlin, gives the student the historical background. "The State" is not an attempt to investigate the fortune of a single people, but "to narrate the typical developments, the universal consequences, of the same basic traits of human nature wherever they are placed."

Emphasis is placed at the outset on the two fundamentally opposed means whereby man, requiring sustenance is impelled to obtain the necessary means for satisfying his desires: "work, and robbery"—by one's own labor (this he calls the *economic means* of satisfying one's needs) and the forcible appropriation of the labor of others (*the political means*). With these definitions in mind the reader is taken on a voyage of discovery to trace the development of the State.

An imperfect but helpful illustration of the field covered by "The State" may be made by comparison with the substance of part of a brilliant chapter of "The Good Ship Earth," by Herbert Quick. Mr. Quick, it will be remembered, describes the great dam at Assuan, Egypt, and in doing so teaches an economic lesson. The dam was built to hold back the flood waters of the Niles for the purposes of irrigation. It spreads over whole provinces the waters from the Abyssinian Mountains, feeding and watering the crops of the Egyptian fellahs. The construction cost was \$52,500,000. Taxation on the vast regions it irrigates has been increased \$5,000,000 annually—5 per cent interest on the investment. Good business, gentlemen of the British Government! For the fellahs? Let us see: Land values in the provinces affected have boomed from about \$81,000,000 to \$188,000,000; rents in proportion. In the days before the dam, all the fellahs got was a bare living; that's all they get now! This, however, is Egypt of today.

In a chapter on the feudal State, Professor Oppenheimer also draws a lesson from Egypt, but it is from Egypt of old. He quotes from Ratzel:

"After a warlike intermezzo, there follows a period in the history of the Middle Empire, which brings about a deterioration of the position of the peasantry. . . . The number of landlords decreases, while their territorial growth and power increases. The tribute of the peasants is hereafter determined by an exact assessment on their estates, and definitely fixed by a sort of Doomsday Book. Because of this pressure, many peasants soon enter the lord's court or the cities of the local rulers, and take employment there."

Some readers may feel that the author has not stated with sufficient clearness in the last and splendidly optimistic chapter the path that will lead humanity from the exploiting state of robbery to his ideal, freemen's citizenship. On second thought it will be seen he did not set out to do that. His aim was to blueprint the trail through history and he seems to have accomplished his task so well that many will want to read this book as an historical introduction to "Progress and Poverty."

STANLEY BOWMAR.

PERIODICALS

Life and Labor.

A fine appreciation by Mary Gray Peck of the character and work of Frances Squire Potter opens the May number of Life and Labor (127 N. Dearborn St.). "Organization of Women Workers in Germany" is another interesting article—a report by Gertrude Hanna about the 200,000 "Free" trade union women and the 65,000 who belong to the other classes of organizations for working women, who number altogether not more than ten per cent of the organized workmen and are in large part not separately organized from the men.

A. L. G.



The great magnate summoned his private secretary.

"Have you attended to all the increased prices that I ordered?"

"I have, sir."

"Did you order my steel company to ask more for steel rails and other material that enters into railroad construction?"

"Yes, sir. That has been provided for."

"Has it been arranged that my locomotive works shall increase the price of engines and that my car factories shall increase the prices of freight and passenger cars?"

"Yes, sir. That also is thoroughly understood by our different boards of directors."

"Have you seen to it that my coal mines have tacked on a good, round increase in the price of coal which my engines burn?"

"Oh, yes. We have been pushing up the price of coal steadily."

"That's good. And have you arranged that my lumber companies charge me more for ties than I have been in the habit of paying?"

"Yes. Your lumber companies are charging so

much for ties that your railroad companies can hardly afford to buy them."

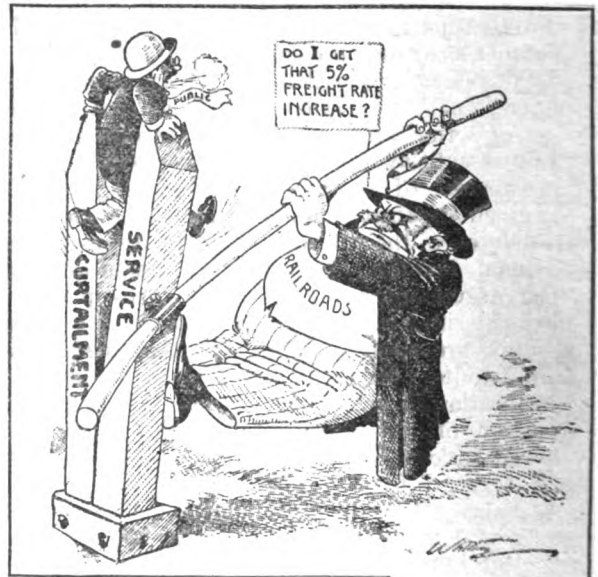
"That's good. And, of course, you have seen to it that my banks are refusing to lend money to my railroads except at a much higher rate of interest than has prevailed heretofore?"

"Yes, sir. Your banks have informed your railroads that money is very scarce and that no financing can be done except on short-time notes at high rates of interest."

"Well, then, I guess we're about ready to make our next move. Have a petition prepared to the Interstate Commerce Commission setting forth that owing to the greatly increased cost of running railroads, it will be absolutely necessary for us to have a substantial increase in freight and passenger rates. Understand?"

"Yes, sir. Anything else, sir?"

"Nothing else, except, of course, to notify my newspapers to support this proposition valiantly in the name of the public and to listen to no arguments against it."—Life.



Putting on the Pressure!

Whiting, in the Louisville Post.

Mr. Brown had just registered and was about to turn away when the hotel clerk asked:

"Beg pardon, but what is your name?"

"Name!" echoed the indignant guest. "Don't you see my signature there on the register?"

"I do," returned the clerk calmly. "That is what aroused my curiosity."—Everybody's.



Tommy could not understand why his teacher thought that the following paragraph from his composition on "A Hunting Adventure" lacked animation and effectiveness:

Pursued by the relentless hunter, the panting gabelle sprang from cliff to cliff. At last she could go