

sown perished? I cannot believe it; nor do patent facts permit me to do so.

That the personnel of Parliaments and Congresses does not accurately show the true state of public opinion on the part of their constituencies I freely admit. But it does give some indication. We American Singletaxers are elated over the fact that some ten or twelve men in our Congress are favorable to the movement. But the British House of Commons has 173 members, known as the "Land Values Group," who, on May 18, 1911, signed a memorial to the Liberal Ministry urging it to levy a Budget Tax on all land values. And the municipal authorities of more than 500 cities and towns in Great Britain have petitioned Parliament for the passage of an act granting them power to make land values the basis of their local taxation. That the British electorate has been ripe for the practical application of land value taxation for the last decade at least, is shown by many indubitable proofs. Every one of the numerous seats won from the Tories during the last two years of the Balfour Government was won on the issue of the taxation of land values. A bill for the taxation of land values, introduced in 1904 by Trevelyan, an earnest and active member of the Land Values Group, passed to second reading in that Tory House by a majority of 16, and in 1905 the same bill passed to second reading in the same House by a majority of 90. And Balfour did not dare to make opposition to the measure a Ministerial question in either year.

The unprecedented victory won by the Liberals in 1906 was largely due to the prominence given to the taxation of land values by the Liberal leader, Sir Henry Campbell-Bannerman, during the campaign. And the great popularity which he enjoyed as Premier down to the time of his death as undoubtedly due very largely to his firm, unwavering stand on that question. This was shown by the intense enthusiasm with which his views on the subject were received at several immense public meetings addressed by him while he was Prime Minister. After his death there seemed to be a slowing down of the campaign for the taxation of land values, and a good many began to fear that Premier Asquith was going to disappoint the high hopes raised by his illustrious predecessor. The popular feeling manifested itself in the bye-elections which began to show a strong anti-Ministerial drift. Then came the introduction of the Lloyd George Budget, which immediately changed the aspect of things and turned the tide of public sentiment strongly in favor of the Government. The results of the two general elections in 1910 leave no doubt as to the state of the British mind on the question of the taxation of land values. And the bye-elections in the summer of 1912, in Northwest Norfolk, Holmfirth and Hanley, where that question was made the paramount issue, demonstrate the fact that the rural constituencies of England are as ripe for its settlement as are the urban.

At a little country town about twenty miles north of London, during the Budget campaign, the opponents of the measure called a public meeting for the purpose of denouncing it, and 400 people attended. One of the promoters of the meeting offered a resolution strongly condemning the Budget. Whereupon a Liberal in the audience offered an

amendment approving the Budget and thanking the Ministry for introducing it. The amendment was put to the meeting and twenty-two persons voted against it and all the rest voted for it. The mover of the original resolution goodnaturedly admitted that he was fairly beaten. I do not know how many more such towns there are in Britain, but I believe there are some others.

No good purpose can be served by minimizing the magnitude and importance of what has already been achieved in the struggle for the industrial emancipation of mankind. For the words of profound wisdom uttered by the immortal Lincoln during the struggle for the abolition of chattel slavery are as applicable to the greater conflict in which we are engaged as they were to that in which they were first spoken: "If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it."

The recent history of the English people shows that they are not now where they once were, and where many Americans still imagine them to be. The conduct of the English electors at political meetings during the Budget campaign rather took the edge off the witty American apothegm that an Englishman dearly loves a lord. Lloyd George was rapturously applauded when he held up the dukes and landlords to contempt and ridicule. Sixteen years ago John Morley predicted that the House of Lords would continue to be an impregnable barrier to progress until on some fundamental proposition substantially all the people came to be ranged on one side and all the lords on the other. His prophecy came to pass in 1910, and he was cup-bearer when their lordships drank the hemlock.

I believe Lloyd George is fundamental, but that he is bound hand and foot by the Whig landlord contingent in his cabinet and party. They permit him to talk, but they will not let him do anything worth while. But I am more concerned to know that the British people are fundamental. If they are, they will find leaders to give effect to their wishes.

JOSEPH LEGGETT.

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## NEWS NARRATIVE

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The figures in brackets at the ends of paragraphs refer to volumes and pages of The Public for earlier information on the same subject.

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Week ending Monday, December 29, 1913.

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### Currency Bill Becomes Law.

The conference committee of the House and Senate came to an agreement on the Glass-Owen bill on December 22. The report was submitted to the House the same afternoon and passed by a vote of 298 to 60. All of the Democrats voted for it except Witherspoon of Mississippi, and Callaway of Texas. Thirty-six Republicans, thirteen Progressives and the Independent member, William Kent, voted with the majority. On the fol-

lowing day the Senate passed it by a vote of 43 to 25. It was sent at once to the President and signed by him. On signing President Wilson declared the bill to be "the first of a series of constructive measures by which the Democratic party will show that it knows how to serve the country." [See vol. xvi, p. 1228.]



The new law provides that the Secretaries of the Treasury and of Agriculture and the Comptroller of the Currency compose an organization committee which shall select no less than eight or more than twelve cities to be federal reserve cities in which will be located the federal reserve bank of the region. They will divide the continental United States, exclusive of Alaska, into eight to twelve districts, each containing one federal reserve city. Each national bank in each district must subscribe to the capital stock of the federal reserve bank a sum equal to six per cent of its paid up stock and surplus. National banks failing to do so forfeit their charters. At least four million dollars must be subscribed before the federal reserve bank of any district may begin business. Should the amount subscribed by the individual banks be insufficient, stock may be sold to the public. The federal reserve bank will transact business only with banks and the federal government, from which it will accept deposits. It may rediscount the paper of the member banks. These federal reserve banks, also spoken of as regional banks, will be governed by boards of nine directors, three of whom must be bankers, three engaged in some other occupation, but who may be stockholders of a bank, and three to be appointed by the central Federal Reserve Board. These three classes of directors will be known as directors of Class A, B and C, respectively. The organization committee will divide the banks of the district into three groups and each group will be entitled to be represented on the board by a director of Class A and of Class B. Each bank will choose an elector. The electors of each group will meet and elect the directors to represent their group by a preferential vote. The central Federal Reserve Board will consist of seven members, including the Secretary of the Treasury and Comptroller of the Currency, which shall have control of the whole system. The President will appoint the other five members. A new form of paper currency is provided for by the act consisting of treasury notes to be issued through the regional reserve banks. To issue these notes the bank must deposit a gold reserve of 40 per cent of the amount received and commercial paper equal to the full value of the notes. National banks will be permitted to loan on farm mortgages. Banks have sixty days in which to comply with the terms of the act.

#### Secretary Lane's Policy.

The Secretary of the Interior, Franklin K. Lane, in his annual report to the President published December 23 urges the establishment of a board of directors to control disposition of the natural resources of Alaska subject to Congressional supervision. He urges government construction of railroads in Alaska with charges fixed at a lower rate than would justify private investment. The coal fields, he says, should be leased to operators and a similar policy followed with other mineral deposits and with petroleum. He declares that he would not "willingly surrender to a demand for exorbitant prices for coal because of a fear that some day the coal supply may be exhausted." He furthermore points out that in the development of water power a substitute for coal has to a large extent been already discovered. He criticizes the present method of homesteading timber lands and says that in future conveyances of title to such lands the government's right to the timber be reserved for separate disposal. [See vol. xvi, pp. 612, 753, 851, 853, 1140.]



#### Commerce Commission Seeks Information.

The Interstate Commerce Commission addressed on December 27 a series of questions to the railroads seeking permission to increase rates. The questions are for information to better enable the commission to arrive at a decision. Answers are required to be in by January 31. The questions are framed to secure information on the following matters:

Returns received from transportation of various commodities and practices of carriers in granting to shippers special service and allowances.

The purchase of equipment and supplies and the uses made of them.

Financial history of the roads, inquiries to develop information regarding the actual interest of directors, officers or employes of the roads "in the business of parties to transactions in which the roads also are parties."

Sleeping car contracts and parlor car service and results of such operations.

Relations with terminal companies, free switching lighterage, warehousing.

Passenger rates in relation to expenses of service rendered.

Influence of "interlocking directorates" in increasing costs.

[See vol. xvi, pp. 1162, 1231.]



#### Army and Navy Officers Rebuked.

President Wilson on December 22 published his letter addressed to the Secretaries of War and of the Navy urging a reprimand of the officers who attended the recent dinner of the Military Order of the Carabao. His letter follows:

The officers who were responsible for the program