

Those who own the planet among them are masters of everybody else. Those whose interests are in natural capital dominate those whose interests are in artificial capital. Even if value be an element which the two kinds of capital have in common, the value relation varies. As artificial capital increases in effectiveness, its value relatively to natural capital falls. All experience proves this. If you prefer the converse form of statement, the value of natural capital relatively to artificial capital rises as the latter becomes more effective. How, then, could there be any reasonable escape, if we would rationally consider the natural laws of social service, from the necessity of distinguishing the capital that is artificial from that which is natural?

As we proceeded with the inquiry which had led us to that conclusion, you will remember that we came to a further conclusion. It was an unavoidable one, don't you think? I mean the conclusion that the control of natural capital, of the natural and unreproducible source of all production, of our natural environment, of the planet itself,—that this control, and not control of the artificial and reproducible products of human art and skill drawn forth from the planet, is the kind of monopoly that primarily disorders the social service market; that this is what makes workers dependent upon capitalists for opportunities to work, and emasculates their natural ability to exact service for service.

Yes, we did agree, I think, that monopoly of the artificial instruments of production is in fact a cause of the social disease. If we didn't we will now, for it is true enough. But we agreed also, or should have done so, that this cause is itself an effect of the deeper cause. The monopoly of those labor products is an effect of monopoly of the natural sources and sites for labor energy. In so far as monopoly of artificial instruments of production is socially injurious, it is due to monopoly of natural instruments of production. To translate this conclusion into terms more appropriate to capitalism, we may properly say, as I have done occasionally, that monopoly of artificial capital is caused by monopoly of natural capital.

And doesn't that express the exact truth, Doctor? If we state our diagnosis of the social disease in the briefest capitalistic terms, shall we not have to say that the cause is monopoly of natural capital? The same idea would have been expressed by the old economists, influenced as they were by customs and forms of speech that are more or less survivals of feudalism, in some

such phrase as that the cause of the social disease is monopoly of land. But inasmuch as in most parts of the world land is now capitalized and treated in the social service market as a commodity along with the other instruments of capitalistic production, we may secure greater clearness and a better and wider understanding if we attribute the cause to monopoly of the natural instruments of production; or, in capitalistic phrase, to monopoly of *natural* as distinguished from *artificial* capital.

NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, November 24, 1908.

Tom L. Johnson's Fortune Gone.

The newspapers of the 20th scattered broadcast a report from Cleveland that Mayor Johnson was no longer a millionaire, but had lost all his wealth. The report was true. That the whole matter may be understood, we reproduce the original report, as it appeared in the Cleveland Press of November 19:

Mayor Johnson's fight for better street railway conditions for the people of Cleveland has cost him his personal fortune. He will give up his home on Euclid and move to a smaller house as soon as he can. His automobiles will go, too. Determination to stick to the fight he undertook when he became mayor in 1901, has brought about the sacrifice, together with his efforts to save the estate of his brother Albert for the widow and four children. He has poured his personal fortune unsparingly into the enterprises conducted by his brother at the time of Albert's death in July, 1901. He refused to leave his work in Cleveland to give his time to managing the estate, and through this lack of personal direction one reverse has followed another, until the mayor has practically exhausted his resources. Devotion to the low fare cause also led to personal losses not connected with the troubles of his brother's estate. Mayor Johnson lost approximately \$400,000 in one swoop through mismanagement of his Lorraine interests while he was busy trying to make three-cent fare pay last summer. One of his companies extended loans unwisely and he was too busy to watch it. The whole story of his brother's death, the efforts to save the estate and of the decision to stick to the fight in Cleveland without thought of financial consequences was told in the mayor's office in the city hall Thursday. Mayor Johnson was just as cheerful as ever and just as ready to fight for the causes he has championed.

"Yes, I'm going to move," he said. "I can't afford to keep up the big house on Euclid now. As soon as I can find a smaller house that we like, we're going to take it. I'm going to ride on the street cars, too. The autos will have to go with the rest.

"My efforts to keep up my dead brother's estate for his widow and children have cost me a great deal of money. I don't care to say how much just now. My brother Albert was the finest man who ever walked in shoe leather," the Mayor continued with an effort. His lips quivered as he turned toward the window a moment. "He was such a big, fine fellow. He was broad in his ideas and powerful in the execution of his work. When he and I first came to Cleveland we slept together in one room. He shared his bed with me. He was seven years younger than I, and he was only 40 when he died. That was only a few months after I was first elected mayor. It was a great shock to me, as he seemed well, and good for many years of active work. A question was put up to me to decide. Should I resign as mayor and take care of his estate? I decided that I would not. I had entered the fight in this city with certain ideals before me. I wanted to fight privilege and special interest, and I had already decided to give up working for dollars. So I concluded to stay right here and do what I could to help my brother's children at long distance. It would make a long story to tell all that I have done to keep up that estate. I'd rather not speak of it. Perhaps some may criticise me for the way I have gone ahead, but I know my dead brother wouldn't if he could speak today. Three or four years after his death Albert's widow married Chas. Ernest Bayne, a clever fellow. They're living in New York now.

"Why did I choose the course I did? I'll tell you. It's not because I'm a philanthropist, for I'm not. I acted from a purely selfish motive. I wanted happiness, and nothing else, when I closed up my business affairs and took up civic activity. And I've been happy, too. The past seven years have been the best of my life, leaving out of consideration the loss of my brother. I'm going to be happy yet, too. We may have to go back to a cottage, but that's the way we started, and we can look upon life just as joyfully there as we did in the big house on Euclid.

"They tell me my enemies are planning to bring financial trouble upon me. I've been expecting it. There's one mistake I haven't made—that of failing to foresee the efforts of those who would like to destroy me if opportunity presented. My enemies are capable of doing that. One may expect nothing else from special privilege. However, I realize that any other set of men in the same circumstances would act the same. Let them do what they may," and the Mayor's eyes flashed as he drew himself up in his chair and gripped the arms. "Let them make any sort of attack upon me that they choose, with whatever success, and they will still find me with a thousand fights left in me. I'll never give up. I'm well and strong and confident, and they'll always find me at the front.

"If I had been a coward—if I had run away from this fight for the people of Cleveland—I could have saved my fortune and built it up. But I had chosen my course, and I did not have any mind for altering it. The pursuit of mere dollars doesn't interest me.

I suppose I could go down in Wall street now and make some money. I've bought and sold with E. H. Harriman, and I suppose I could go back and do it again. But I'm not going to do anything of the sort.

"I don't want you to misunderstand what I have been working for as mayor. I haven't been laboring with the expectation of being rewarded by the gratitude of the people. One cannot count on that. It's pleasure in doing work that I like that has kept me in the fight."

Mayor Johnson's face became grave as an incident recurred to him. "A man on the street car told a friend of mine last night," he said, "that 'Tom Johnson has made \$2,000,000 out of this street car deal.' That's the way people will talk about you. I have never made a single penny out of the street railways since I became mayor. Nobody else has worked as hard as I, and I haven't drawn a cent of pay from the Municipal as treasurer. I don't propose to ask for a cent for my work in helping the receivers. I have never spent money in politics. In no campaign have I ever paid more than my assessment, \$600, on the \$6,000 salary of mayor. Sometimes I have not paid that much in cash when the committee has allowed me a certain amount for the use of my tents. We have never been in debt at the end of a campaign but once.

"When I gave up active business affairs, I did it because the requirements of my work didn't square with my principles. When I sat with a board of traction directors, a neighbor would say, 'Tom, you're for municipal ownership, and you know that's against our interests.' A fellow director of an industrial concern would say: 'You're a free trader, and our enterprise thrives on protection.' So I gave it all up, just to find peace and freedom of mind. It took me five years to get out of it. During this stage, I was staying one night at a New York hotel. A man worth \$20,000,000 came up at 2:30 in the morning and got me out of bed. He was in trouble. 'Johnson,' he said, 'you're a young man, and you won't mind this, will you? I couldn't sleep, and I thought you could make me feel better. I'm worn out with all this business worry. What shall I do?' 'Quit it,' I told him. 'But I can't. I've tried, and I'm not happy unless I'm in the thick of it. My family has tried to take me away, but I was uneasy until I got back within sound of the ticker. It's my life.' I couldn't give that man any help, but the incident decided me. I made up my mind to quit pursuing the dollar while I could.

"I suppose I could have taken up a life of ease when I retired, had I wished. I was welcome at the clubs. Fast horses, yachts, and other allurements were open to me. For me, though, happiness lay in another direction. My only recreation has been automobiling. I'd like to keep one of my autos, but I'm afraid I can't. Back in my prosperous days I gave the home on Euclid to my wife. It's hers yet, and she'll own it still, even though we can't afford to live in it.

"I don't feel discouraged. I'm a free man, and that means a great deal to me. And I have my friends, too. Don't you suppose it will be worth something to me to have my friends realize that I entered the mayor's office rich and left it poor? The realization of what all that means is worth more to me than the money I've lost. I'm going to keep on just as

I've started. I'm going to be a candidate for mayor again when this term is over."

Mayor Johnson never appeared more cheerful than when he entered his office on the 19th. He appeared a little tired, but he is physically fit and buoyant as ever. "I'm late," he said with a smile, as he entered. "A little aunt from Kentucky is out at the house, and she used her authority over me." Mayor Johnson says he isn't worrying over suits threatened against him. "I know just what to expect," he said, "and I'm satisfied. If I could go back to 1901 and choose my course over again, I would do exactly as I have done."

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Election Notes.

Official returns from the recent elections (p. 779) are very meagerly reported as yet. Following are the official figures on the Presidential vote from Illinois, Minnesota, Nebraska and Idaho, with comparisons:

	Ill.	Minn.	Neb.	Idaho.
Republican	1908—629,932	195,786	126,997	50,091
	1904—632,645	216,651	138,558	47,783
	1900—597,985	190,461	121,835	26,997
	1896—607,130	193,503	102,304	6,324
Democratic	1908—450,810	103,433	131,099	34,609
	1904—327,606	55,187	51,876	18,480
	1900—503,061	112,901	114,013	29,414
	1896—464,632	139,735	115,880	23,192
Independence L'g'e	1908— 7,724	.....	.....	.....
Prohibition	1908— 29,364	10,114	5,179	1,740
	1904— 34,770	6,253	6,338	1,013
	1900— 17,623	8,555	3,655	213
	1896— 9,796	4,348	1,193	179
Socialist	1908— 41,391	14,469	3,522	6,305
	1904— 73,923	11,692	7,412	4,949
	1900— 19,165	4,397	823	.....
	1896— 1,147	876	186	.....
People's	1908— 33	.....	.....	.....
	1904— 6,725	204	20,518	353
	1900— 1,141	.....	1,104	857
In Cook County, Illinois, the official vote is as follows:				
	1908.	1904.	1900.	1896.
Republican	230,400	229,848	203,760	221,823
Democratic	152,990	103,762	186,193	152,146
Independent L'g'e	5,994	.....	.....	.....
Prohibition	5,965	5,200	3,490	2,149
People's	73
Socialist	19,487	47,743	6,752	727

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The Republican party has made a statement of its fund for the Presidential campaign (pp. 225, 391, 732). The list of contributors, numbering 12,330, is filed at Albany, N. Y. Among the contributors are Charles P. Taft for \$110,000; Andrew Carnegie, \$20,000; John Pierpont Morgan, \$20,000; and William N. Cromwell, \$15,000. The total amount is \$1,655,518.27.

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Although there is yet no official report of the vote on the constitutional amendments in Missouri, there is sufficient authority for saying that the tax amendments are defeated and the referendum amendments carried. The tax amendments (vol. viii, p. 767) provided for separation of the sources

of State and local revenues and the establishment of local option in the selection of taxable subjects. The majority against this amendment is said to be from 30,000 to 40,000. The referendum amendment (vol. x, p. 222; vol. xi, p. 570) provides that "the people reserve to themselves power to propose laws and amendments to the constitution, and to enact or reject the same at the polls, independent of the legislative assembly [consisting of Senate and House], and also reserve power at their own option to approve or reject at the polls any act of the legislative assembly." The foregoing power of initiative may be exercised upon the petition of "8 per cent of the legal voters in each of at least two-thirds of the Congressional districts in the State," the petition to "include the full text of the measure so proposed." The referendum power may be ordered "(except as to laws necessary for the immediate preservation of the public peace, health or safety and laws making appropriations for the current expenses of the State government, for the maintenance of the State institutions and for the support of the public schools) either by the petition signed by 5 per cent of the legal voters in each of at least two-thirds of the Congressional districts in the State or by the legislative assembly, as other bills are enacted." This amendment is so specific in its details as to make it self executing. Consequently no legislation will be necessary to make the initiative and referendum fully operative. It was adopted by a majority of about 30,000.

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Convention of the American Federation of Labor.

After a session of two weeks, the American Federation of Labor (p. 802) adjourned on the 21st. In every respect the Gompers policy regarding political action was supported almost unanimously, and Mr. Gompers was re-elected president with only one dissenting vote. A censure of Daniel J. O'Keefe, president of the Longshoremens' Union and one of the Executive Council of the Federation, for not acting with the Council in supporting Bryan at the election, was also adopted, and Mr. O'Keefe was not re-elected. The censure was in the form of a declaration of future policy, the substance of the entire report on the subject of political action being as follows:

That the political policy of the American Federation of Labor be reaffirmed. That President Gompers' action in supporting Bryan be approved. The right of all members of trade unions to vote for whom they please shall be guaranteed. But this does not apply to an officer of the American Federation of Labor. "If he cannot assist in carrying out the political policy of the majority he should resign." That a legislative committee similar to the Parliamentary committee in Great Britain be established and that every effort be made to elect union men or their friends to Congress; and that similar committees be recommended for the various States, these