

pamphlet form. "The Burdens of Local Taxation and Who Bears Them," is a brief but thorough discussion of the incidence of taxation, which has been highly commended by many well known economists.

In 1905 Mr. Purdy was appointed a member of the City Advisory Commission on Taxation and Finance, of which he has been Secretary and Chairman of the Committee on Taxation. The chief work of that Commission was to solve the financial problem caused by the accumulation of \$35,000,000 arrears of uncollectible personal taxes and to prevent further accumulation; to accomplish this two laws suggested by the Commission have been enacted.

Last year the Governor appointed Mr. Purdy a member of the Special Tax Commission to investigate the tax system of the State, but he was compelled to resign from this because of his appointment to a city office.

The press of the city made Mr. Purdy's appointment the occasion for many complimentary notices of his work for tax reform. The *New York Times* of Nov. 10th said: "There is probably no more highly qualified expert in the State. Mr. Purdy is an advocate and expositor of sound theories of taxation. His publications have been written with remarkable clearness and convincing force." The *Journal of Commerce* of Nov. 12th, termed it an ideal appointment. The *N. Y. Real Estate Record and Guide* calls Mr. Purdy "one of the best known authorities on taxation in this country." The *Baltimore Sun* says speaking of Mr. Purdy's work in that city that "He showed a mastery of the principles of taxation and their application to practical conditions which was a revelation to those who heard him testify." The *Tammany Times* said, "Better than any other man in public life today he understands the intricate question of taxation."

The federal courts will soon have to decide an interesting case. A marble altar intended for the Church of the Immaculate Conception at Newburyport, Mass., has been assessed by the collector of the Boston port at 50 per cent. under the provision in the tariff law for "manufactures of marble." This altar would have gone through free of duty had the importer written to the department of customs requesting free entry. His failure to do so makes it a pauper altar subject to that beneficent tax which we levy for the protection of American labor.

Frenchmen are also learning, Clemen-  
ceau, looking at a heavy touring car, asked if it was a sixty-horse power, and was told it was only forty. "Forty on the revenue tax sheet, I suppose," he responded wittily, "but sixty on the road."

## EDITORIAL DEPARTMENT.

## IN SHERWOOD FOREST.

Says the *New York Times* in its issue of Dec. 26th, commenting upon Mr. Stokes withdrawal of his financial support to the Y. M. C. A. because of the encouragement extended to land speculation in a series of lectures undertaken under its auspices: "To know what lots are valuable and why, and to be able to foresee the course of values is as truly to earn wealth as to dig or hew."

If the *Times* means that the process of digging and hewing by which all are enriched and none are impoverished—and the knowledge by which one may profit in the game of land speculation, belong economically in the same category, and that the "earnings" of one are to be classed with the "winnings" of the other, both in their operation and their economic effects—then is that able metropolitan journal clearly in the wrong.

But if it means that such knowledge is under present conditions important and even necessary to the individual who would make his way in the world, we may concede that it is wholly in the right. But it avoids the main contention raised by Mr. Stokes. What the latter wished to emphasize is that the present condition of land tenure is robbery of the people, sanctioned and upheld by law. Calling Mr. Stokes names will not change the matter. With able writers such as, for the most part, compose the *Times* staff, "avoidance is confession."

Elsewhere in the same issue commenting upon Rev. Dr. Lyman Abbott's address, in which he said that "the three great examples of fraternalism were President Roosevelt's proposed tax on inheritances, Mr. Bryan's tax on incomes and Henry George's proposed tax on the value of all natural opportunities," the *Times* has this to say:

"Mr. Roosevelt, Mr. Bryan, Henry George, a fine, congruous and suggestive grouping. But Robin Hood was a notable fraternalist. He pleaded in extenuation that he had always given to the poor what he took from the rich."

One may entertain what opinion he likes regarding the "congruousness" of this grouping—we have our own. But the men who "know what lots are valuable and why" are in a worse class than Robin Hood so far as their relation to the community is concerned, since they take advantage of a system that filches from the poor to give to the rich. In this they are not to blame, since if they did not play the game others would. It is the system that is at fault, and this system finds its ever eager defender in the *New York Times*. The Robin Hoods who levied tribute with bows and arrows have passed away, but others and later Robin Hoods are still abroad in Sher-

wood Forest, and the New York *Times* is the notable Friar Tuck of that demesne.

But other and greater Robin Hoods there are, in and out of government, compared with whose deprecations those of the Lord of Sherwood Forest were petty larceny. In the *Cosmopolitan* this month is an account of one of them, Frederick Weyerhæuser. Profiting by gigantic national criminality he has become possessed of millions in excess of the fortune of John D. Rockefeller. The master of vast reaches of timber lands, obtained with the criminal collusion of those to whom the people entrusted the custody of the splendid inheritance of their public lands.

The Single Taxer proposes to deal with this problem in the only way that will permanently settle the question and satisfy at once the demands of expediency and equity. But while recognizing the national crime that made Weyerhæuser's swollen fortune possible, how do the Robin Hoods in government purpose to deal with him? They propose to punish him by taking ten per cent of his fortune from him when he dies! That is, his heirs will be punished for his sins! Observe that it is not a question of the equity of great possessions nor the modes of acquisition. With the appalling evidence before them of the great injustice of such monopolization of natural opportunities, they offer something worse than a panacea.

Is there to be no discrimination between wealth honestly acquired and that obtained through crimes in which State legislators, Senators and Judges are *particeps criminis*, no discrimination between properties economically justifiable and those which are institutionally unsound? Is this inheritance tax to be adopted without inquiry as to what great fortunes may be justified wholly or in part, and what may be justified only in part or not at all?

If Mr. Weyerhæuser's fortune be ill gotten, if it has been acquired at the expense of the community by reason of institutional injustice, the Single Tax will take it all, which is just; but the Inheritance Tax will take but ten per cent of it, which is to continue 90 per cent of the prevailing injustice. But it is to do worse than that, since it includes a robbery of other fortunes which are the return for high and exalted service to the community, such as that rendered by Howe, McCormick, Edison, and others.

Let us assume a suppositions but possible example of the workings of this Inheritance Tax and we may see who it is bearing the insignia of his exalted office rooms at large in Sherwood Forest, for there are Robin Hoods, as has been said, in and out of government, as well as journalistic Friar Tucks.

Mr Brown aged 65 dies. Mr. Brown made 5,000,000 by a beneficent invention the value of which, owing to its importance to the world, could not be, measured in dollars, as

valuable as Edison's discoveries and possessing no element of monopoly. His son aged 45 inherits, and pays an inheritance tax of 10 per cent, or \$500,000. This son dies suddenly within three months after his father and his son, aged 22 inherits \$4,500,000 on which he pays this inheritance tax of 10 per cent, or \$450,000. Unfortunately this young man is thrown off one of the cars of the B. R. T. for refusing to pay the extra 5 cent fare to Coney Island, and is killed. His young widow inherits \$4,050,000 which is immediately mulcted 10 per cent, or \$405,000, making a grand total paid on this one estate in one year of \$1,355,000.

Is this taxation or robbery? Certainly more than one exalted person walks abroad in Sherwood Forest these days.

J. D. M.

#### THE TAX CURE FOR FRANCHISE EVILS.

American cities have become aroused at last to the value of the franchises improvidently granted in the days when "the best citizens" were not watched as vigilantly as they are now. Some of them, like Chicago, Cleveland and Detroit, are fortunate enough to have to deal with temporary grants, whose expiration make it easy to bring the corporations to terms. Others like New York, are saddled with perpetual franchises, behind which it is assumed the companies can outrage the public with impunity. It does not seem to be generally realized that in the power of taxation the community possesses a weapon which if intelligently used, can pierce even the shield of perpetual franchises. It can be made not only to secure to the public a fair share of the profits of transportation lines, but to secure good service instead of cattle-car herding. Unfortunately this weapon is often used not only without intelligence, but apparently with a perverse desire to defeat the very object the public is anxious to attain.

For instance, in New York there is incessant complaint that the roads do not run cars enough for their passengers. They go on the principal that the "dividends are in the straps," and they are unhappy when they inadvertently supply every passenger on a car with a seat. What does New York do to encourage them to put on more cars? It levies a license tax on every car run. Imagine eighty people demanding transportation, each with his nickel in his hand. They can all be jammed into one car, or they can be seated comfortably in two. Two mean the wages of an extra motorman and conductor and extra expenses for interest, depreciation, insurance and power, and no more income. While the company is hesitating whether to incur this extra cost for the sake of decency and humanity