

in real estate in Binghamton in order to sell a building site to the Government, and we ask is this true, and if so, how is it to be reconciled with the President's frequent pledges and promises about the political activity of office-holders, it will not do to answer us by crying, "Sugar frauds," and saying that Judge Maynard is a good man. We need a real explanation, not a sham one.

We might multiply these illustrations, but what would be the use? The painful truth is, that we doubt if a single independent voter in this State, of the thousands who supported President Cleveland in 1884, any longer attaches any importance to the utterances of the members of the Administration on the subject of Civil-Service Reform, or any longer refuses to believe that the President's promises and professions have been violated or disregarded on a great scale, with the utmost boldness, in sundry places and in divers manners, and that men like Judge Maynard and Surveyor Beattie have actually been detailed or told off to practise as much civil-service abuse as can be readily concealed or disguised when they are found out and exposed. Of course they must be shielded. It would be the worst kind of baseness to desert or sacrifice them.

We do not mean to say that anybody else has done better either in President Cleveland's or Secretary Fairchild's place than he has done. It will be a good while before we shall find men for high executive places who will be able to resist for a full Presidential term the influence of the purely official or political atmosphere at Washington in producing insensibility to the better sentiment of the country at large, even when it is that better sentiment which has given them their honors. Therefore, it is most desirable that the Senatorial investigation, such as is now pending in New York, into the operation of the Civil-Service Law, should be held annually. Nothing else will prevent its being evaded or nullified on a greater or less scale. Before its passage, the use of the offices as political spoils was a recognized and lawful practice, and there was, therefore, nothing for Congress to overhaul or inspect. Now, all this is changed. An annual visit from a Senatorial Committee to the leading post-offices and custom-houses would undoubtedly prevent such abuses as the present investigation is bringing to light, for they never would be perpetrated if exposure was certain within a year.

TWO NEW FIELDS FOR THE CIVIL-SERVICE RULES.

SECRETARY FAIRCHILD in doubting, in his speech in Brooklyn the other night, whether the competitive system could be extended much further than it is at present, must have forgotten the Railway Mail Service and the Indian Service. Both of these are now exempt from the operation of the Civil-Service Law; both are, so far as the unofficial eye can see, just as fit fields for its operation as the Treasury or the Post-office, and both are suffering seriously, if not from their exemption from the rules, from the unchecked

operation of the spoils system. We have never heard of any reason for exempting either of them. The work of the clerks in the Railway Mail Service is exactly like that of clerks in the post-offices. If there be any difference between them, it lies in the fact that the clerks in the Railway Service need better health, better eyes, defter fingers, and quicker perception and greater energy than the other Post-office clerks. They have not only to do much of their work at night, but have to contend, in sorting letters, reading addresses, and making up the bags, with the motion of the cars, and they have to display great promptness and despatch in putting out the mails at the various stations, and to be more than usually faithful and conscientious, because they are largely exempt from supervision or inspection and from the quick discovery of mistakes. If, therefore, the competitive system be a good way of discovering the best men for any department of the postal service, it is a good way of discovering them for this. If it be necessary in any department, it is still more necessary in this, because the duties are more wearing and responsible than in any other.

Nevertheless, the rules have never been extended to this branch of the service—why, we do not know. We have often inquired, but have never got any answer. In fact, this extension to the Railway Mail Service seems to be regarded in official circles at Washington as one of those things which it is elevating and ennobling to hope for and think about, but which it is useless to expect in a world as imperfect as this is. We believe Mr. Cabot Lodge some time ago introduced a bill in the House making the extension mandatory, but we have lately heard nothing of it, and fear it was intended rather to "make it hot for the Democrats," by calling attention to their enormities, than to curtail their powers of mischief. At present the general impression is, we fancy, both in and out of Congress, that the true reason of the exemption of this branch of the service from the rules was simply a desire, to use Tweed's expression, "to do something for the boys." That is, it was felt that it would not do to take the whole postal service away from the Congressional spoilsmen at once; that some residue of their old power would have to be left them, on the theory that they would not submit to total bereavement. But whatever the cause, the result is that the strain on the Railway Mail Service, considered as patronage, is greater than it was before there were any rules at all. That is, the fewer places there are left in which a Congressman can put his dependents, the more dependents he puts in each place. The situation is somewhat like that of a man who has been used to both whiskey and beer, and from whom the doctor has cut off the whiskey, and who accordingly trebles his consumption of the beer.

The same things may be said, *mutatis mutandis*, of the Indian Service. It, too, if any branch of the Administration needs the rules, needs them sorely. The duties are most responsible, and have to be performed

where public observation or criticism of the manner of their performance is impossible. They need not only great intelligence, but very high character, and in some cases special training. In fact, the character and intelligence of men who represent a Christian nation in its dealings with helpless savages cannot be too high. If competitive examinations be a good mode of selecting men for responsible positions, the Indian Service is, in a peculiar degree, the place for it. If the surrender of any branch of the public service to Congressmen as spoils be objectionable anywhere, it is nowhere more objectionable than on the Indian reservations. All the arguments against it in any department apply to it with double force in this. Then why are Indian agents, farmers, and teachers not selected under the rules? We have never heard of any reason, and know of none, except the one we have suggested in the Railway Mail Service—a desire "to do something for the boys"—that is, leave some place where the Congressmen could revel in their old pastimes. The result has been that, owing to the fact that the Commissioner is a Tennessean, the Indian Service is just now a sort of hunting-ground for the Congressmen of that State, as the Post-office Department used to be for the Indiana men in the old days of Morton and Brady. The Indians do not like it, and suffer from it, but the Indians do not vote or write for the press. Many of the results are discreditable and distressing, but the public does not see them, and has that fortitude under other people's woes for which even the meanest and weakest of us is distinguished.

THE INTERNAL REVENUE.

THERE is quite general agreement among the opponents of the Mills bill that instead of the reductions it proposes there should be a greater reduction in the internal-revenue taxes. This proposition is endorsed even by prohibitionists like Mr. Kerr of Iowa, and hence must be regarded by the party as its only escape, and may by outsiders be fairly held to be its settled policy. And it is to be further said that a number of protectionists have gone on the record, to which their constituents ought firmly to hold them, in favor of the total abolition of all internal-revenue taxes. The recent Congressional speeches in favor of such abolition are so numerous, and will be scattered so widely during the campaign, that we shall be obliged to pay some attention to them in order to keep abreast of the campaign.

Some indignantly deny that they propose free whiskey. What they do propose is, that the taxation of whiskey shall be left entirely with the States. They endeavor to win favor among their constituents by calling attention to the vast saving this would accomplish in local taxation of real estate and other taxable property. It affords them, in fact, no small bribe to offer to voters having heavy State taxes to pay. Herein lies its strength, but also its weakness, for there are several prohibition States where this bribe can have no force or value. Under their present laws Kansas, Iowa, and

Maine could get none of the surrendered whiskey revenue. Hence it is on other grounds and with other ends in view that such men as Kerr favor the abolition. Theirs is the high moral view, expressed in his speech, that it is a sin against heaven for any government, State, local, or national, to derive any revenue from the liquor traffic. So they will have nothing but absolutely untaxed whiskey.

Here, then, we have the two alternatives offered by the abolitionists—untaxed whiskey and State-taxed whiskey—offered by them; but what right have they to make the offer? The States must decide the matter, and the abolition of the national whiskey tax will place them under not the slightest legal or moral obligation to replace it with State taxes. If they did not do so, then prohibition would have hard sledding in the States where it has been adopted. With whiskey costing perhaps twice as much per gallon as it now costs per drink, and no Federal inspection, there would be no reason why any inhabitant of a prohibition State should go without it, or go far to get it; and especially since the Supreme Court, in the Bowman case, has opened wide the channels of inter-State transportation of such goods.

But suppose the States did undertake to appropriate the revenue lost to the Government by the abolition. How would that plan work? Could they agree among themselves, and make the tax everywhere equal? Think for a moment of the herculean task of bringing about this exact agreement between thirty-eight States, whose divorce laws, for an instance of something wherein they ought to agree, differ so widely. And remember that here there would be a heavy premium on bad faith in keeping the bargain. The State which first slightly reduced the tax, unless immediately followed by the rest, would gain in public revenue and in private manufacturing prosperity.

But suppose the agreement were kept. Suppose the State Government of each State collected as much tax on these articles as the Federal Government now collects within that State's bounds. What would be the share of each State in this mighty bribe which is offered them? Would there be any equality in the division? It is not hard to find out. Here are the internal-revenue collections in a few States for the fiscal year 1887:

Maine.....	\$50,284	Mississippi..	\$42,608
Illinois....	24,825,704	New York..	15,101,203
Vermont...	30,120	Alabama...	78,543
Kentucky..	12,417,530	Ohio.....	13,898,227

Illinois would get nearly 500 times as much as Maine, Kentucky 400 times as much as Vermont, New York 375 times as much as Mississippi, and Ohio 175 times as much as Alabama. Between these extremes the inequality would be as great as it possibly could be. How long would the States thus bled to gorge the treasuries of sister commonwealths cling to the arrangement? More than half the internal taxes of last year were collected in four of the States above named. The present Federal surplus is nothing to what theirs would be, and of course these hoards would be drawn from the States whose citizens consumed the goods—

but not very long, for the simple reason that no such nonsense would be endured. It is bad enough to be contributing of one's hard earnings to a surplus of a common treasury; but pouring a surplus from one State into the treasury of another is certainly worse.

And there is no other way to avoid free whiskey, if the Federal tax is taken off. Unless the stuff is taxed in the State where it is made, it will flow unchecked and uncontrollable into adjoining States. There is no way to diffuse the tax geographically. At least, no advocate of the abolition has yet proposed one worth considering.

CHILIS COMMERCE AND FINANCES.

THE last report of the Chilean Secretary of the Treasury serves to accentuate freshly the astonishing commercial advance of what is now, in many respects, the most vigorous and powerful of the South American nations. This advance may be summarily indicated in the statement that, during the last ten years, the country's revenues and foreign trade have each rather more than doubled. The Government, which in 1866 could count upon an income of but little more than \$9,000,000, and in 1877 upon one of a little under \$17,000,000, can now bring in estimates for 1888 of \$32,439,736, and can point, at the same time, to a probable surplus of over \$11,000,000. Foreign commerce has for some years reached a total of over \$100,000,000 annually, as against \$40,000,000 to \$60,000,000 for the twenty years prior to 1872. Recalling the comparatively small population of Chili—probably still under three millions—the scale of commercial activity denoted by the figures now given is such as undoubtedly to put Chili at the head of all Spanish America, if not of the entire Latin race, in point of the proportion of foreign commerce to inhabitants. Indeed, we doubt if any nations except Great Britain, Belgium, and Holland surpass her in this respect.

The financial status of Chili is shown with sufficient clearness in the important operations of funding the foreign debt which have been recently consummated. Like most of the other South American republics, Chili had contracted a long series of foreign loans of various amounts and at varying rates of interest. These have now practically all been funded in a new issue of \$30,000,000, taken by the Rothschilds, in February, 1886, at 96, with interest at $4\frac{1}{2}$ per cent. The remaining foreign indebtedness brings the total up to \$34,601,270, as the account stood at the beginning of 1887. To this must be added a domestic debt of \$49,223,429, estimated in paper money, involving an annual interest charge of something more than \$2,000,000. This is relatively a large debt, incurred, in great part, for the execution of the vast schemes of public improvements upon which Chili had already entered before the long war with Peru and Bolivia put new burdens upon her. That she will be able to carry them all seems to be the judgment of the money-market, always the best test of national credit.

The revenues of the Government are de-

rived from customs duties, both import and export (the latter principally on saltpetre), from the railroads and telegraphs under public control, from taxes upon incomes, legacies, and land, from patents, sales of public lands, guano, etc. The complicated system of internal taxation is highly burdensome, and with the tariff laws calls urgently for revision, which the Government is anxious that Congress should at once set about. The estimated income for 1888 is \$36,000,000, which, with a surplus of \$8,000,000 carried over, will put at the disposition of the Government \$44,000,000.

An analysis of the foreign trade of Chili, with an eye to determining our share in it, can only result in the same mortifying showing that we make in the commerce of all Central and South America. We have, in fact, had no part at all in the wonderful commercial expansion of Chili. Our trade with that country stands almost at the same figures which it had reached in 1860; and whereas our trade of about \$4,000,000 then represented 10 per cent. of the total foreign commerce of Chili, now it stands for less than 4 per cent. In our studied indifference to all "abroad," we have sat idly by to see ourselves distanced even in those articles of manufacture in which we have boasted that we were unexcelled—Germany, for example, selling Chili, in 1882, \$109,000 worth of sewing-machines to our \$7,000, \$112,000 worth of pianos to our \$7,000, \$234,000 worth of boots and shoes and \$500,000 worth of candles, while we sold not a dollar's worth of either. The figures for 1886, as given in the 'Estadística Comercial' for that year, do not materially differ from those just cited. In all the great manufactures, in iron, cotton, and woollen, even in machinery and railroad materials, we are hopelessly beaten by England and Germany. In lumber we head the list, simply because our rivals have none to sell; as we do also in petroleum.

The current tariff discussions have made the reason for this state of things abundantly clear, as also its remedy. Roving commissions to "investigate" the state of our trade in South America can accomplish little. We observe that Mr. Hopkins, in his recent address before the Chamber of Commerce, asserted that the last one did American interests more harm than good. Nor can much be expected from Pan-American Congresses, in the line of the pending McCrery bill. This is clear from the nature of the references to that measure in the Spanish-American press. Its political aspects, its aim to promote a solidarity of feeling and community of aspiration among the American republics, meet hearty sympathy; its commercial bearings are looked upon with either disgust or ridicule. Indeed, the great republic of the North is regarded with a strange mixture of sentiment throughout all Spanish-speaking America. There is pride in her history and development, a desire to copy her institutions, and eagerness to keep step with the march of her civilization; but there is amazement at her commercial folly—seeking to get everything and give nothing—and laughter at the appeals we make to the