

which failed as presented in the Stranahan bill, is brought forward in a new shape. It proposes to subject mortgages not to a yearly tax, but to one tax, which may be called a recording tax. The Stranahan bill proposed a tax of five mills per annum. The Governor proposes a tax of five mills for recording the mortgage, and nothing afterward. The total amount of mortgages annually recorded in the State is about \$600,000,000. The proposed tax would therefore yield \$3,000,000, and this sum would almost close the gap which remains to be filled in the State revenues from independent sources. Those who are opposed to any tax on mortgages will oppose this. They will say that, no matter how the tax is levied, it will fall upon the borrower, since the lender, in this case, will deduct from the amount of the loan the sum needed to pay the recording tax. Granted; but the rate of interest is on the down grade, and this tells in favor of the borrower. Is it not right that the State should share in this advantage? This tax should be in lieu of the present tax on mortgages—the tax which, as the Governor says, reaches only the mortgages in the hands of executors and trustees, while individual holders escape it entirely.

Another suggestion in the message relates to the taxation of companies incorporated in other States, but having their offices and doing business in New York. This is the weightiest part of the message in its financial aspect, and the one which will cause the greatest public satisfaction. Hitherto the State has assumed that "foreign" corporations (meaning those of other American States) are taxed at the place of their domicile. Consequently, the shares of such corporations are non-taxable in the hands of a citizen of New York. This is theoretically the right system, but it was never intended to apply, and ought not to apply, to companies which go to New Jersey, or Delaware, or some other easy-going State, to procure a charter, while carrying on their principal business here. They do this to avoid their fair proportion of the tax which they ought to pay for the protection that the State and municipal governments of New York give them. Moreover, they make no concealment of the fact that this is the reason why they seek charters in other States. They say that they do so because the burdens of taxation in New York are so heavy. The burdens in New York are not heavy; but, whatever they may be, they are enhanced to the citizens who do pay by the amount of capital withdrawn from our own corporations and invested in those of New Jersey, Delaware, etc. This transference is a form of cheating which has received the sanction of law. The corporations are not to be blamed for taking advantage of the law as it exists. Their leading counsel naturally advise them to go

to the cheapest market for their charters. They would be fools if they did not, but it is time for the State of New York to demand her just share in this harvest. The specific recommendation of the Governor is very moderate. It is that foreign corporations doing business here shall be required to file a certificate of their incorporation and pay annually a tax of one mill per dollar as a franchise tax. On condition of doing so, their stockholders resident in New York shall be exempt from taxation on the shares so held by them. This addition to the public revenues, and the proposed tax on the recording of mortgages, would supply the needful amount to make the State independent of the direct or general property tax. If Gov. Odell succeeds in accomplishing this aim, his Administration will be a memorable one from the business point of view.

We must pass over the Governor's important recommendations regarding the State institutions. Quite in line with the business sense which prompts his questioning of present methods is his protest against the abuses of our system of receiverships for insurance and banking corporations. We heartily endorse his recommendation that all proceedings affecting such corporations under the Banking and Insurance Departments shall be under their control during the liquidation, which should do away with the excessive fees that are now generally extorted. Mr. Odell's practical sense is shown in his advice that the code be amended so as to compel the argument of appeals in capital cases within six months after conviction; that the Governor be empowered to assign justices of the Supreme Court to districts where they are especially needed; and that it may be wise to allow the temporary designation of county judges to trial terms anywhere in the State whenever necessary to clear the calendar.

As will be seen, this message is fruitful in valuable recommendations. The paragraphs under the head "Home Rule for Cities" will be read with great interest, because they embody the Governor's ideas regarding excise legislation at this session. It all comes to this—that, while the Legislature might extend local option on the liquor traffic for weeks so as to cover cities as well as towns, he thinks that no measure for local option on Sunday traffic should be passed unless the question be first submitted to the people of the whole State whether they will approve the idea of allowing such a departure from the fixed rules which have hitherto prevailed throughout the commonwealth, and a majority do so approve. There are no signs whatever that a movement for such a State referendum will be pushed, and, as the Governor commits himself against anything else, this means that nothing will be done by the present Legislature about Sunday saloon-opening.

#### MORE BISMARCK REVELATIONS.

"He spares me no shocks," said Bismarck once, referring to the Emperor William I., "and I should be all the better without those little letters in his own handwriting which he does me the honor to write." Two or three hundred of these little letters are contained in the Supplement to Prince Bismarck's 'Recollections,' lately published in Germany ('Anhang zu den Gedanken und Errinnerungen von Otto Fürst Bismarck'). These missives from monarch to Minister are mostly hurried notes of birthday and anniversary greeting, often announcing presents or new honors for Bismarck, and are, in general, of small account, either political or literary, with their characteristic interlarding of French idioms and phrases. How the grandson has *changé tout cela*! But at two or three places in the correspondence (for many of Bismarck's replies are given) we see a suggestive lifting of the historic curtain.

New light, for example, is thrown upon one of the disputed points relating to the war with France. This is the renewal in 1870 of the candidacy of Prince Leopold for the Spanish throne after it had been, on French protest, officially abandoned in 1869. When Bismarck wrote about the matter to Marshal Prim, he said: "Pray do not forget that the King is supposed to be ignorant of all this." This has been taken as a clear proof of the duplicity of either Bismarck or the King, or both. But a letter now printed from William, under date of February 26, 1870, makes it clear that, in the beginning at least, he was a total stranger to the plot to wave the Spanish red rag again in the face of France. He wrote to Bismarck:

"The enclosure [not given] comes upon me like a bolt out of a clear sky. A Hohenzollern again a candidate for the throne of Spain! I suspected no word of this, and only lately was jesting with the Prince about the earlier bringing forward of his name, and both of them [father and son] dismissed the idea as a mere joke. When you have got the details, we must have a conference, although I, as head of the house, am *against* the affair."

Of course, the affair went on, nevertheless, and the world knows now how deliberately and astutely Bismarck employed the Hohenzollern candidacy to infuriate the French and make them declare that war in which he was burning to engage, if only he could avoid appearing the aggressor. A diplomat in Berlin said to Mr. Charles Lowe that he had heard Bismarck exclaim, in a moment of heat, "Oh, I have had experience in making other countries declare war upon Germany!" The Hohenzollern Spanish intrigue was one of the cases in point. We know now how Bismarck and Von Roon fairly forced Prince Anthony, on public grounds, to put forward Leopold again, and also how thunderstruck Bismarck was when the King telegraphed him from Ems that the candidacy was

once more withdrawn and the whole trouble apparently settled. The disappointed Minister was about to resign and go back to Varzin for good, when his chance came to "edit" the famous later dispatch from Ems, and so get his war, after all. In the whole matter, it is now evident, he left his royal master very much in the dark, and worked secretly behind his back.

The other important revelations of the letters relate to the crisis of 1875. Early in that year Europe took alarm at the apparent intention of Germany to attack France before that country could get upon her feet with the new and enlarged army she was planning to create. The *Berlin Post* had an inspired article, as it was taken to be, "Is War in Sight?" All the talk of the General Staff was of provocation, anxiety, and impatience. An Imperial order suddenly forbade the exportation of horses from Germany. Moltke said openly to the Belgian Minister, "They may say what they like; I look only at facts. France has just added 144,000 men to her army. That means the offensive within a short time, and we ought not to wait for it." All these ominous signs, with the indiscreet babblings of Herr von Radowitz, supposed to be deep in Bismarck's confidence, were reported to Paris by the French Ambassador at Berlin, and led, as the Duke de Broglie states in his book, 'An Ambassador of the Vanquished,' to prompt representations by the French Foreign Office to both the English and Russian Governments. What the Czar and Gortchakoff did, leading up to their grandiloquent dispatch, "The maintenance of peace is now assured," has been published. We have Bismarck's own sneering account of their fussy and needless intervention, as he calls it. What England did to avert the threatened war has not been so clearly known. A letter of the Emperor's to Bismarck tells much, and suggests more.

It bore date of August 6, 1875, and, in the midst of some unimportant matters, gave extracts from a correspondence which had passed between the Kaiser and Queen Victoria, and of which he did not think it right to leave his Chancellor in ignorance. The royal letters had related to the threat of war with France, and William had assured the Queen that there was nothing in the alarmist rumors on that subject; that it gave him pain to suppose that she thought of herself as a disturber of the peace of Europe, since he was convinced that no one could provoke a war without exposing himself to the execration of the civilized world. Thereupon the Queen replied, so he wrote to Bismarck, that, "without my knowing it, others besides Moltke who were very near to me had openly talked of attacking France. But she would not go farther into the matter, since the whole had now fallen into oblivion." The Emperor added that

he had written to thank the Queen for her friendly letter, and to say that "as she had named no names, he would make no further investigation." "I'm so sorry!" (*thut mir leid*) was, at this point, written in Bismarck's own hand upon the manuscript of William's letter.

The Chancellor's reply, a week later, is a masterpiece of evasion and cynicism. It would have been highly interesting, he said, if the Emperor had urged the Queen to give him the name of the threatener of war. That exalted lady must be very sure of her ground to have taken so weighty and so unfriendly a step. However, suggests the innocent Bismarck, she can have referred only to Count Münster, the German Ambassador in London. That diplomat, we may add, indignantly denied later that he had been guilty of any war talk, indiscreet or calculated. But Bismarck goes on to defend both him and Moltke, on the ground that their remarks about the advantage of speedily attacking France were purely "academic," and were intended merely to let the French know that they could not count upon immunity under all circumstances. The English Government would be wholly wrong in taking the unofficial language of an Ambassador so seriously, and hence he thought that Queen Victoria must have had "other grounds" (a clear reference to the hated Englishwoman in Berlin, the wife of the Crown Prince) for believing the rumors of war to be true. Nowhere does Bismarck intimate that he thought himself suspected, or deny that war would have been forced but for "the pressure of other Powers" brought to bear upon Germany by this unfriendly English initiative.

Did he really wish and intend another war with France in 1875? Was his anger at Russia, on whom he took sweet revenge at the Congress of Berlin, simply because of her interference with a deep game of his, or because the firm attitude of the Czar actually prevented a war? We may never know. Bismarck's diplomacy was confessed by himself to be wholly unscrupulous, and it was often so tortuous, so subterranean, so fertile in alternative expedients, that one can never be sure that his avowed aims were his real ones. A very remarkable letter of his to the Emperor, now first published, betrays his moral point of view, and his method. It related to the charges of double-dealing brought against him by the Italian Gen. La Marmora, in connection with the events of 1866. Why, said the honest Bismarck, who "feared nothing but God," the "only way in which I could thwart the policy of Napoleon was to make it clear to Benedetti and the Italians, who kept nothing from Napoleon, that I was perfectly willing to wander from the path of virtue, and only needed time to win over your Majesty." This manoeuvre, he adds, was "very useful," and he quotes with gusto an old

French proverb—"a pirate and a half to catch a pirate"—which his antagonists should have had in mind. From the whole body of Bismarck letters in the two volumes, in fact, one bears away a deepened impression of the man's extraordinary force, of his unrivalled intellectual power, and of his relentless grinding on his way to his goal, with the rush, and with about the morality, of an avalanche. His greatness, the immense rôle which he played in history, no man can doubt; but his lack of the finer personal and moral qualities, above all a certain want of magnanimity in his attitude towards his colleagues and successors, becomes clearer with every fresh publication from the archives, and cannot but dim his lasting fame.

#### THE REVIEWER'S RESPONSIBILITY.

The assertion, freely made in France, that criticism is creative literature, seems all the more audacious inasmuch as, in that country, criticism and current book-reviewing are very much one and the same thing. This seeming paradox is the result of literary traditions which are almost exclusively French. What these conditions are is charmingly illustrated in a recent anecdote of Sully-Prudhomme of the French Academy, recipient of the Nobel prize for literature.

In the spring of 1865 young Sully-Prudhomme had published, with the aid of a friend, his first volume, 'Stances et Poèmes.' The problem with his fellows of the schools who recognized in Sully a rising genius, was how to get the great Sainte-Beuve to give at least a paragraph in his "Nouveaux Lundis" to the youthful poet. Accordingly the young Gaston Paris—since renowned as philologist, critic, academician, and director of the Collège de France, then merely a philologist of considerable promise—who had the advantage of Sainte-Beuve's acquaintance, called at the great critic's apartment and left, with a discreet note, his friend's volume of verse. Every Monday the poet's circle of admirers turned eagerly to Sainte-Beuve's column in the *Constitutionnel*. The laggard critic wrote about everything else—on the old poets, on astronomical fantasies by Flammarion, worst of all, upon modern poets other than Sully. As the months went by, the indignation of these young people knew no bounds. It was seriously proposed to march *en masse* to the great critic's door, and *conspuer* him for his lack, not only of critical insight, but of common civility. Fortunately, wiser counsels prevailed, and the *ensor literarum* of that day was spared such a serenade as the present *ensor morum*, Senator Béranger, has several times undergone at the hands of his student protégés. The review, a very favorable one, appeared before Sully's friends had thought out a parliamentary method of applying *force majeure* to the