altogether inadmissible. Such a rule might be applied to companies formed hereafter, but it would be highly unjust to existing concerns. The element of good will is, in a growing community, very valuable. A plant is constructed with an eye to the future. It must be made large enough to more than supply the present demand, or it will have to be reconstructed at once. Capitalists discount future dividends. They will carry on an industry at a loss for some time if they are convinced that it will be eventually profitable. The dividends that they forego now they expect to obtain hereafter. Some allowance, however, should be made by investors for the cheapening of production; and the fact that a property has cost a certain sum does not prove that it is worth it, even when taken for public uses. Appraisal under the direction of the court is probably the fairest method of ascertaining value; and if such proceedings cannot be carried on without corruption, municipal ownership will certainly not be exempt from it. We doubt if the Massachusetts statute can be improved. even if it renders municipal ownership unattractive. As to the extent of the desire for it, we cannot regard that as indicated by the size of the petitions in its favor that have been presented.

CHAMBERLAIN AND THE PRE-

MIERS.

When Mr. Chamberlain and the Colonial Premiers assembled on Monday week, it was apparently a case of either side desiring the other to take the initiative. "Tirez les premiers, Messieurs," said Mr. Chamberlain, with true Fontenoy gallantry. But the others, not to be outdone, asked him what he had to propose. According to the dispatches, he had very little to suggest except "problems." But no empire that we know of ----or republic, either---has to go hunting problems. Solutions are what we are all short of; and it seems to be agreed that Mr. Chamberlain was, for him, singularly halting and almost tongue-tied in the whole matter of preferential trade with the colonies.

The reason why he may have felt a certain embarrassment in speaking on this subject, is not far to seek. He was meeting with the colonists only a few days after the Chancellor of the Exchequer had, in the House of Commons. given the finishing blow to the whole scheme. Sir Michael Hicks-Beach was understood to have been outvoted on the grain duties, and the inference was that they were imposed as a peculiarly Chamberlainish plan for striking a bargain with the colonies. Indeed, Sir Michael himself had used language that looked that way. He had spoken vaguely of his willingness to make "a sacrifice" in order to promote trade with the colonies. But just when the talk was most confident about preferential tariffs within

the empire, the Chancellor, who was expected to bless the project, rose to curse When charged, on June 18, with it holding the same views as Prime Minister Seddon of New Zealand, he broke in, "I entirely repudiate that"; and later on said that the rumor of the Government's intention to lay discriminating taxes on imports was "an extraordinary delusion," and that "it is not our policy to endeavor to encourage trade with our colonies by initiating a tariff war with our largest customers." If, said Sir Michael with unfeeling sarcasm, the other colonies wanted to imitate Canada and give British goods a preferential tariff without any quid pro quo, he was not the man to say them nay; but as for the notion that England thought of changing the principles upon which her fiscal system was based, "I entirely disavow," he said, "any idea of that kind."

Mr. Chamberlain must have considered this excessively rude, coming as it did on the heels of his own speech at Birmingham. In that he had sneered at "adherence to old and antiquated methods" of building up international trade, and said, alluding directly to the grain duties, and the chance they gave to favor colonial trade at the expense of that of other countries:

"If by adherence to economic pedantry, to old shibboleths, we are to lose those opportunities of closer union which are offered us by our colonies, if we are to put aside occasions now within our grasp, if we do not take every chance in our power to keep British trade in British hands, I am certain that we shall deserve the disasters which will infallibly come upon us."

After this, it must have been disheartening enough to have an economic pedant turn up in the person of Mr. Chamberlain's own Chancellor of the Exchequer, to damn his scheme out of hand.

It is an old dream of Mr. Chamberlain's, however, and he will doubtless continue to strive for its fulfilment with all the varied resources at his command. As long ago as 1896 he was holding out to the colonies the bait of an exclusive production of the "articles of enormous consumption" in England. In return, there was to be a removal by the colonies of "protective duties upon any product of British labor." Naturally, the first part of the programme has seemed fascinating to the colonies. One of the mottoes among the Canadian decorations designed for the coronation was, "Canada, the Granary of the Empire." Premier Seddon had no sooner landed in England than he began to talk about "a self-sustaining empire," in which the colonies should supply "all the foodstuffs." But it is obvious that the proposal has not been able to endure discussion. The "old shibboleths" of political economy, which so excite Mr. Chamberlain's disgust, are simply an embodiment of the wisdom garnered by long experience in international trade; and it is the voice of the experienced English ship-owner, the practical English

manufacturer, and the English exporter that has made itself heard, and that has prevailed against the gaudy project on which Mr. Chamberlain has set his heart, and upon which he has almost staked his political fortunes. Sir Robert Giffen has buried it under an avalanche of fact and argument; and the biographer of Cobden, Mr. John Morley, has attacked it in and out of Parliament with all of Cobden's earnestness and logic and with more than Cobden's eloquence. One of Mr. Morley's happiest strokes was when, in picturing the certain decay of English trade as a result of even a disguised protection, he said, in clever allusion to Prime Minister Seddon:

"You well know Macaulay's famous picture of the New Zealander—the traveller from New Zealand—standing in a vast solitude, and from the broken arches of London Bridge sketching the ruins of St. Faul's. What a pang would go through the heart of that New Zealander, when the time comes, if he thought that this mournful and dismal solitude, this breakdown of a great city, had been due to a policy adopted in consequence of the masterful blandishments of a New Zealander."

In two words, the argument against the fair-seeming proposal of preferential trade is that, to "prefer" the colonies is, in the act, to discriminate against other nations; that the trade of the latter is worth more than that of the former could possibly be; and that to tax, directly or indirectly, food and raw materials is to disable English manufacturers from competing in a world-market where they already experience severe competition. These truths appear to be so firmly fixed in the minds of leading Englishmen, and of the majority of the Cabinet itself, that we are likely to hear little more of the trumpeted scheme of an all-British tariff and an Imperial trade. The Premiers at the Conference can exchange only helpless platitudes on this subject, and will devote their time and strength to projects of intercolonial communications and Imperial defence. Even as to those, the prospect is that the proceedings will be largely Platonic.

MR. BRYCE ON THE RELATION BE-TWEEN WHITES AND BLACKS.

OXFORD, June 20, 1902.

"The tremendous problem presented by the Southern States of America, and the likelihood that similar problems will have to be solved elsewhere—as, for instance, in South Africa and the Philippine Isles bid us ask, What should be the duty and the policy of a dominant race where it cannot fuse with a Backward race?"

These words are taken from Mr. Bryce's Romanes Lecture on "The Relations of the Advanced and the Backward Races of Mankind." To suggest an answer to this "tremendous problem" is, if not exactly the aim, yet certainly the effect, of the last and to my mind the most important of Mr. Bryce's utterances.

Nothing he has written or spoken is, whether one agrees with his views or not, likely to produce so much effect as the address delivered at Oxford on the 7th of

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it is hardly possible to speak in terms that are too strong. The address raises in a clear form the most perplexing question of the time. It happily raises this question (which may in no short time divide political parties in England) before the treatment of backward races has been forced upon the active attention of the English public and become involved in all the confusion of partisanship; and Mr. Bryce speaks with authority. He is in some sense an expert witness and an expert free from bias. He has devoted life-long attention to political and social inquiries. He has collected an infinity of knowledge from the storehouse of history. He possesses an unrivalled acquaintance with the actual conditions, as far as they can become known to a traveller of different and distant countries. When he speaks of India, of the Mohammedan world, of Russia, of the Southern States of America, or of Mexico, he speaks of lands which he has seen and with the inhabitants whereof he is intimate. He is, further, nothing of a bookworm. To the knowledge gained from books, from thought, and from travel he adds the equally valuable knowledge of mankind gained from participation in the public life of England. When we add to all this that, throughout the United States, every word he prints is sure to be read by thousands of readers who will receive his teaching with a strong and perfectly legitimate prejudice in favor of the teacher, one may feel perfectly certain that his views with regard to the relation between blacks and whites will not fall to the ground without effect.

June. Of its importance and its weightiness

Mr. Bryce's policy, if I may use the term, rests on three principles which the whole of his lecture more or less supports and illustrates. First: The sentiment or prejudice of the whites against the intermixture of blood (or intermarriage) between whites and blacks is, at any rate where the whites belong to the Anglo-Saxon race, so strong that it cannot and perhaps ought not to be overcome. He apparently assumes it to be certain that, neither in the Southern States of America nor in South Africa, will the difficulty of adjusting the relation between whites and negroes ever be removed by fusion. This is a state of things which statesmen must accept as a fact, and recognize it, therefore, in their political arrangements.

Secondly. Fusion or intermarriage between races so widely different as are blacks and whites produces, on the whole, unsatisfactory results; to this statement there are, as Mr. Bryce is careful to insist, occasional and striking exceptions. Still, policy must be built on what is usual. not upon what is exceptional, in the course of things; and-what is of supreme importance-the unsatisfactory result produced by the mixture of whites and negroes, or of whites and Hindus, or of the American aborigines and negroes, goes a good way to supply a moral justification for the condemnation, by Anglo-Saxon' sentiment, of intermarriage between whites and blacks. For "the matter ought to be regarded from the side neither of white nor of black, but of the future of mankind at large"; and for the future of mankind it is absolutely vital that "some races should be maintained at the highest level of efficiency, because the work they can do for thought, and art, and letters, for

scientific discovery, and for raising the standard of conduct, will determine the general progress of humanity." If, therefore, we can suppose the blood of the races which are now most advanced to be diluted, and, so to speak, deteriorated by the blood of these of the most backward, there might be an irreparable loss to the world at large.

Thirdly, Sound policy must be based on the recognition of the unconquerable and probably justifiable aversion entertained by men of English race to the fusion by intermarriage of the white and the black races, combined with the recognition of the equal claim to justice of every man, whatever his race or color. This principle would, if I understand Mr. Bryce rightly, lead to the following consequences. Intermarriage between whites and blacks would be discouraged, if not absolutely forbidden. The line of conduct proposed "dissuades any attempt to mix races so diverse as are the white Europeans and the negroes. The wisest men among the colored people of the Southern States of America do not desire the intermarriage of their race with the whites. They prefer to develop it as a separate people on its own lines, though, of course, by the help of the whites. . . [The negro race] of the whites. . . [The negro race] will cultivate self-respect better by standing on its own feet than by seeking blood alliances with whites, who would usually be of the meaner sort."

The negro race would, however, acquire complete legal—which is a different thing from political—equality.

"On the legal side of this question one thing is clear: the Backward race ought to receive all such private civil rights as it can use for its own benefit. It ought to have as full protection in person and property, as complete an access to all professions and occupations, as the more adwanced race enjoys."

Political equality, in the democratic sense of the term, should hardly be aimed at; but, "as regards political rights, race and blood should not be made the ground of discrimination. Where the bulk of the colored race are obviously unfit for political power, a qualification based on property and education might be established which should permit the upper section of the race to enjoy the suffrage. Such a qualification would doubtless exclude some of the poorest and most ignorant whites, and might on that ground be resisted. But it is better to face this difficulty than to wound and alienate the whole of the colored race by putting them without the pale of civic functions and duties."

Lastly, social relations must be left mainly subject to the control of public opinicn:

"As regards social relations, law can do but little save in the way of expressing the view that the State takes of how its members should behave to one another. Good feeling and good manners cannot be imposed by statute. The best hope lies in the slow growth of a better sentiment."

Here, then, we have Mr. Bryce's policy. Its essential elements are the substitution of friendly separation for any attempt at fusion between the two races; the insuring to the blacks, not only in name, but in fact, of every private civil right which can be claimed by any citizen; the placing of political rights on a basis which, while it makes it possible for a few negroes of exceptional ability to take part in public life, secures, probably for years to come, the political predominance of the white race; and, lastly, the gradual amelioration of social relations between the advanced

race and the backward race by the slow growth of better public feeling and opinion. The "policy of isolation" has much to recommend it. It depends, however, for its moral justification on the assumption that "the mixture of races very dissimilar, and especially of European whites with blacks, tends rather to lower than to improve the resultant stock." But the validity of this assumption is disputed by some competent judges, and is not easy to reconcile with some of the phenomena-such, for example, as the genius occasionally displayed by men of mixed race, or the eminence attained in Mexico by leaders who have certainly in their veins a strain of Indian blood. Indeed, our author himself writes: "The subject of race mixture is one of extreme interest, to which, as far as I know, comparatively few data for positive conclusions exist"; and, if this be so, the policy of isolation or separation is at best an experiment that depends for its success on the soundness of a theory which itself rests upon a foundation of dubious strength. But this general objection must not be pressed too far. Appearances suggest the conclusion that racemixture may generally produce evil, and the conviction of whites that intermarriage between themselves and persons of color can hardly be tolerated, is itself a fact of primary importance, which may establish in the eyes of statesmen the prudence of discouraging the fusion of widely differing races. Another general remark is, that Mr. Bryce's language as to "social relations" is extremely vague. "Good feeling and good manners cannot be imposed by statute"; but then, law ought to do "something in the way of expressing the view the State takes of how its members should behave to one an-The difficulty lies in reconciling other." these two aspects of law. No statute can force the whites of a Southern State to enter into intimate relations with their colored neighbors; but is the law to enact that whites and blacks shall not ride in the same carriage, or to tolerate the refusal of an innkeeper to supply a room to a gentleman of. color? My object is not to answer these questions, but only to show that they and like inquiries need answering. The line between social and legal equality is in truth hard to draw. The formal recognition of equal legal rights when the real enjoyment thereof is denied, increases instead of lessening the irritation of the race which suffers from its denial.

Dismissing, however, altogether the more general criticisms on the policy of isolation, we shall find that it is open to at least four specific objections.

First. It permanently stereotypes the rigid division of the members of one community into two absolutely separate though it may be not actually hostile bodies. Is this sort of separation really compatible with the existence of a State, the members of which all possess equal legal rights, and all of whom, on certain requirements as to education and property being fulfilled, take their share in political life? It is difficult to answer this inquiry in the affirmative. The answer becomes the more perplexing when we note that the arrangements which are intended to insure the political predominance of the more advanced race, will, as time goes on, cease to be efficacious. Almost all blacks will, if fairly treated, come ultimately to possess the amount of education which may be re-