

In this question of the increased prices of to-day, there are a few central matters of fact, as well as a few central ideas concerning causation, which must be assigned to their right place if we are to have any chance of thinking straight about the problem. Of the matters of fact, the first relates to the degree in which the increase has taken place. This is, of itself, a difficult problem; but there are some points about it which must be constantly kept in mind. One is that the rise of prices has been world-wide, another is that not all classes of commodities have been affected alike, and a third that the point from which prices have risen—if we start with 1896 or thereabouts, as is usually done—was not a normal price-level, but an abnormally low price-level. The rise in the index-number of *Bradstreet's*, which assumes the startling magnitude of 62 per cent. if comparison is made with the bottom figure of 1896, shrinks to the moderate amount of 13½ per cent. if 1892 is made the starting point. To determine what is a fair measure of the present advance of general prices—not to speak of the prices of particular articles—over what may in any sense be called a normal level is an extremely complicated problem; but it is something to remember that before the great rise there had been an equally remarkable fall. Any thought on the subject that overlooks this is worthless; and it is strange enough that anybody should overlook it, when it is only a dozen years since the air was as full of bewailings over low prices as it now is of complaints of high prices.

A second thing that should be constantly borne in mind is that price is a relation between other things and money, and fundamentally (since the demonetization of silver) a relation between other things and gold. Without entering into any discussion of the quantity theory of money, it is evident that prices—i. e., the amount of gold it is necessary to pay for things—cannot be independent of the amount of gold available in the world; there is no more reason that an ounce of gold should always have the same purchasing power, no matter how much gold there may be in the market, than that a bale of cotton should always have the same general purchasing power, no matter how much cotton there may be in the market. And the amount of gold in the world has, as

a matter of fact, been increasing at a tremendous and utterly unprecedented rate for about twelve years. That this is the central fact in the situation, virtually all economists are agreed; and, owing to the freedom with which gold flows from one country to another, this circumstance affects prices throughout the civilized world. When the progressive demonetization of silver in the leading countries of the world had been contracting the metallic basis of the circulating medium, and was not offset by a great gold production, this cause was almost universally recognized as being at the bottom of the low-price situation; and in like manner, the world-wide rise of prices we are witnessing now is ascribed by economists primarily to the great augmentation of the world's stock of gold.

The fact that the rise of prices has not been uniform, that it has affected some classes of commodities much more than others, does not at all militate against the foregoing. Whether the general level of prices rises or falls or remains stationary, it will be equally true that the prices of some things will vary in comparison with the prices of others. But if there is any grand department in which prices have risen decidedly more than in other departments, it should be the task of the economist to discover, if possible, some broad and general explanation of this phenomenon. That such a special rise has taken place in the case of food products seems certain. In all probability the explanation is to be found chiefly in the increased demand on the resources of the earth which has come with the increase both of population and of general well-being; and we must add to this general cause, the particular fact of the drift of the population from the country into the cities. This state of things, if carried far enough, must mean that in order to keep people on the soil, it is necessary to give them larger returns than in the past. The operation of this factor may be quite as important just now as that of the law of diminishing returns; the two together are probably sufficient to account for the main facts of agricultural prices.

All this is not meant to show that no intricate investigation of the question of prices is necessary; on the contrary, we have always urged the importance of an investigation looking into

the influence of tariffs, trusts, retail combinations, etc., and that by the most highly-trained experts obtainable. But in the meantime, it is worth while to clear our minds of misty notions, and to see as distinctly as possible the leading features of the case. Thus we may both avoid exaggerated notions of the phenomenon itself and reject attempts to explain it by foolish or fantastic reasons.

THE ROCKEFELLER FOUNDATION.

America's reputation for dazzling the imagination of the world by great achievements in philanthropy will be heightened by the plans of Mr. Rockefeller, as announced last week. The bill which was introduced in Congress to incorporate the Rockefeller Foundation looks to the most far-reaching and broadly conceived charitable and educational trust yet established in the United States. The Peabody Fund was a wonderful thing in its day, and its beneficent fruits have been reaped all these years. So, too, the Carnegie Institution, the Carnegie Foundation, and the Sage Foundation have made a deep impress, by the generosity of their endowment and the scope of their aims; and Mr. Rockefeller's own rich endowment of the General Education Board overtopped any other. But, if the large project which Mr. Rockefeller has in mind is rightly understood, it will surpass everything of the kind that has gone before. No figures of the endowment proposed are as yet given, but when we are told that this is to be Mr. Rockefeller's greatest and crowning benefaction, and when we remember that he has already given \$150,000,000 to education and charities and medical research, we may expect him to set aside a sum for his Foundation which will be without a parallel in the annals of philanthropy.

The terms, too, in which the objects of the Foundation are set forth speak of sagacity and large-mindedness. There is no tying down of the trustees to narrow limitations. The purpose of the endowment being to run on for many years and perhaps generations, the founder has seen to it that no restricting "dead hand" shall be laid upon those who will have the administering of the unexampled trust. The trustees will have large discretion. Their duties are broadly defined, and the objects of the incorporation are described in such general

words that the working out of the endowment can be made as flexible and helpful as future needs may demand. The great gift is to be for the "acquisition and dissemination of knowledge, the prevention and relief of suffering, and the promotion of any and all of the elements of human progress." That is as broad as humanity itself.

It is explained by those in Mr. Rockefeller's confidence that he means to make of this new Foundation a sort of clearing-house for all his future philanthropies. It will be an investigating and coördinating central agency. Any given end being urged, the means to compass it will be carefully studied. If an existing establishment can best do the work desired, funds will be put at its disposal to enable it to do so. Where either an individual or an institution needs help in some fruitful labor of research, the Rockefeller Foundation will stand ready to inquire and aid. It will publish books of useful knowledge, provide technical apparatus, employ or assist teachers, and lecturers. In a word, it is to be a scientifically organized charity on a colossal scale. All of that talent for making large combinations and for creating an instrument of centralized control which went to the accumulating of Mr. Rockefeller's vast fortune, seems now to have been applied to devising this magnificent scheme for giving away a large part of it. The result will inevitably be to carry Mr. Rockefeller's name around the world and down the future as the greatest organizer and most princely endower of charity that had lived up to his time.

There is, however, a pathetic, almost a tragic, side to the Rockefeller Foundation. It is the human, the personal aspect. Mr. Rockefeller bestows hundreds of millions upon a people who do not love him. The great outburst of acclaim which would ordinarily follow such a public beneficence will not be his. He is an unpopular man, and, so far as can be seen, nothing that he can now do will ever lead his fellow-countrymen to shower upon him praise and approval. Into the causes of this it is not necessary to enter. So far as public reasons go, Mr. Rockefeller's identification for so many years with a company which came to touch the life of nearly everybody in the country, and which was believed to have long practised oppression and extortion, is enough to ac-

count for the associations that have been fastened upon his name. But there are personal reasons as well. To see what we mean, one has only to compare Mr. Rockefeller with Mr. Carnegie. Each set about giving away a tremendous fortune in his life-time, but with what different results! The difficult art of being very popular while very rich seems to have been perfectly mastered by Mr. Carnegie, but missed almost completely by Mr. Rockefeller. The former is easy and jolly in his manners, with an air of good-fellowship about him, taking a kind of boyish and even boisterous delight in his philanthropies, and making himself with his smile and his *bonhomie* a welcome figure everywhere. But all of that is quite beyond Mr. Rockefeller's range. By contrast, he appears awkward and hermit-like and melancholy. The very care which he gives to his charitable work, scrutinizing all applications closely, and elaborating plans like a conscientious business man instead of a jovial flinger-about of his money, while in itself a most praiseworthy thing, has undoubtedly the effect of detracting from an appearance of abandon and exuberance in his philanthropies. All this is in a true sense pitiful, yet it is inevitable. To the end of his days, so far as men can see, Mr. Rockefeller will continue to be thought of personally by the mass of his countrymen very much as he has been for thirty years. This is surely the tragic stuff of which human life is made. Possibly a hundred years from now some historical scholar under the Rockefeller Foundation will be set to studying the political and social conditions in the United States from 1875 to 1910, and will find to his amazement that the name of his benevolent founder had in his life-time been held in execration by millions!

PROFESSIONAL READERS.

In resigning his position as literary adviser of the New Theatre, Mr. John Corbin has spoken the thought of many an overburdened professional reader. He is tired of the job. During his incumbency he has read, inwardly digested, and at times thoroughly criticised something like two thousand plays—about five a day, by our reckoning. Out of these the New Theatre has put one or two on the boards. Mr. Corbin is too considerate to say that under these con-

ditions the game of literary adviser-ship is hardly worth the candle, but he evidently is eager to turn his energies to almost any other occupation.

His plight merely brings into picturesque relief that of a class. Hundreds of skilled readers pass upon the mass of manuscript submitted to publishers and magazine editors, and the fate of such matters is usually settled long before they reach the august person whom the hopeful author thinks to impress. Year in year out, these tasters of literature appraise the motley flux, skimming off for publication the smallest portion, diverting the rest toward other readers and final oblivion. An extraordinary alertness is required of them. The early pages of a manuscript by an unknown and evidently uncultured writer may bristle with solecisms. Its illiteracy must be provisionally disregarded, for it may be an egregious best-seller—some "When Knighthood Was in Flower." A still finer discrimination perceives the promise in some half-achieved thing—the sketch for a "David Harum." Or, again, some book charged with innuendo is submitted. Will the public stand it, run after it? Can the reputation of the house bear its publication? The professional reader is supposed to know by some magic what will sell. The manufacturers of Yankee notions and the travelling agents of the antiquaries often have this instinct fully developed. It seems not a rational ascertainment, but a purely temperamental sense of what people will like.

Such is the first and foremost duty of a professional reader. If it seem a simple one, it should be recalled that a report is also required on literary quality. Self-respecting publishers are expected to make certain concessions to that unpopular commodity which among themselves they style admiringly "real literature." Here, too, the reader's task is complicated: If real literature is to be published at a loss, evidently that which involves the greatest gain in prestige and the smallest deficit in dollars is to be preferred. The head of the mere author or layman swims at such a problem; the professional reader must solve it regularly or lose his or her place. It is with the reading corps, even more than with the principals, that resides that intangible yet very real entity, the tradition of a publishing house. As one star differeth from another in glory, so