

important pictures, it is said, are going back to Europe, in particular the Turner seascape.



## AT THE PARTING OF THE WAYS

The two tendencies in American politics are well indicated by two recent publications, each in its way remarkable: the address delivered by Dr. Woodrow Wilson, of Princeton University, at the "Dollar Dinner" at Elizabeth, New Jersey, the last week in March, and "The Promise of American Life," by Herbert Croly (Macmillan), published at the close of 1909. The one represents the new Jeffersonianism, the other the new Hamiltonianism; the one puts emphasis on the value of the individual, the other on the value of organization. It would be distinctly to the advantage of the country if these two tendencies could early find expression in a definite formulated policy inspired by the spirit of Dr. Wilson's address: "The success of a party is not the thing which should be first in our thoughts, but the service of the country. These signs of changing opinion should not make us eager for office, but eager for an opportunity to see the principles we believe in realized in action."

What are the principles modern democracy believes in or should believe in? It is difficult to compact Dr. Wilson's statement of these principles in a paragraph, but we will make the attempt.

He puts first a profound and abiding faith in the people themselves; an absence of faith in the most conspicuous leaders of the country's business and economic development. Not because of hostility to property rights. Not because of personal distrust of the honor and integrity of the great business leaders. But because the men whose energies are concentrated upon particular enterprises cannot see the welfare of the country as a whole, or in true proportion and perspective. This welfare of the Nation is the welfare of the individuals of whom the Nation is composed. Not the corporation but the individual, not the artificial group of persons existing merely by permission of law, but the single living person, is the only rightful possessor of rights and privileges. The corporation

is simply a legal instrumentality created for the convenience of the individual, and must be used only for his convenience, never for his government or suppression. But regulation of these corporations should not be permitted to make them "partners or creatures of the government itself." "Recent proposals of regulation have looked too much like a wholesale invasion by government itself of the field of business management." And this regulation must be accomplished under the law and the Constitution. If our constitutions are not sufficiently elastic and liberal, we must ask the people to change them; we must not change them without their formal consent. So our tariff must not be arranged for the promotion of particular interests, but for the general prosperity of the whole people. Finally, governmental reform lies in the direction of simplicity, not of elaboration. The processes which multiply the instrumentalities of government are to be discouraged rather than encouraged. Our ideals must be more literally and truly than ever before ideals of popular government and of individual privilege.

As is fitting, this address is generic rather than specific, a statement of fundamental principles rather than of special policies. It does not absolutely negative, but it looks away from, government ownership and control of mines and forests, public irrigation, postal savings banks, an elaborate Agricultural Department, a Federal incorporation law, Public Service Commissions, a National Health Bureau, and the like. It does not involve a reversion to the idea that government should confine itself to protection of person and property, but it looks with suspicion on every departure from that principle.

If it is difficult to interpret an hour's address, it is still more difficult to interpret a volume of over four hundred pages, in a paragraph. We can only do so illustratively.

Mr. Croly looks in exactly the opposite direction from Dr. Woodrow Wilson for the fulfillment of America's destiny. In his view, the danger to America is not excessive government but excessive individualism. It is this excessive individualism which has brought about the existing concentration of wealth and financial power in the hands of a few irresponsible indi-

viduals. We can correct the evil only by changing our attitude. Only by making the individual subordinate to the demand of a dominant and constructive National purpose can America accomplish a morally and socially desirable distribution of wealth. The way to protect the community against the aggression of special and local interests is by affirming and safeguarding the National interests. Democracy is not imperiled by a strong centralized National Government. On the contrary, "a people which becomes more of a Nation becomes for that very reason more of a democracy." The organization of the American democracy into a Nation is not to be regarded as a necessary but hazardous surrender of certain liberties to secure expected advantages. On the contrary, "its nationalized political organization constitutes the proper structure and veritable life of the American democracy." Of this theory of a nationalized democracy Mr. Roosevelt has been a distinguished exponent; but, according to Mr. Croly, not always an adequate or self-consistent one. He "has been building either better than he knew or cares to admit." His famous figure of the "square deal" implies a democracy of individual and balanced rights. But what we want is a democracy which will not be dedicated either to liberty or equality in their abstract expression, but to liberty and equality in so far as they make for human brotherhood; a democracy which will be a candid, patient, and courageous attempt to advance the social problem towards a satisfactory solution. For example: We ought to have a legal recognition of labor unions, "and this legal recognition means, also, substantial discrimination by the State in their favor." "The labor unions deserve to be favored, because they are the most effective machinery which has yet been forged for the economic and social amelioration of the laboring class;" the non-union laborer "is the laborer who has gone astray and who . . . prefers his own individual interest to the joint interests of himself and his fellow-laborers."

We have no space here to follow Mr. Croly further in his analysis. It must suffice to say that he has the courage of his convictions, and applies the principles of organized or nationalized democracy

with heroic consistency to the problems of our great corporations, our railways and their regulation, the relations between the States and the Federal Government, and the like, and always in favor of promoting organization and making it the instrument of a social betterment and the social welfare. He disavows being a Socialist, but he is not in the least afraid of the term "Socialistic."

The American Nation is at the parting of the ways. These two leaders, each of whom sees with greater clearness and speaks with greater courage than the newspaper editor or the practical politician usually possesses, lead in opposite directions. Both recognize the peril to the Republic from the special interests. Both desire to secure the general public against that peril. But what one proposes as a remedy the other regards as an aggravation. One would move in the direction of greater individual liberty, the other in the direction of a stronger social organization; one sees peril in a strong National Government, the other accounts it the public safeguard; one regards the individual as the end, the organization as a means, the other regards the organization as an end and would subordinate the individual interests to the interests of the social order; one would promote competition, the other co-operation; the peril of the one philosophy carried to its logical extreme would be anarchy; of the other, political Socialism; the prescription of the one is liberty, of the other is union.

Temperamentally the Democratic party is the party of individual liberty, the Republican the party of social order; but both are affected by past traditions, by local prejudices, by special interests, and by the notions of individual leaders. It would be well for the country if each party could rid itself of the incongruities and inconsistencies with which it is entangled, and could present, with some approximation to clearness and consistency, one the principle of individual liberty under government protection, the other the principle of co-operative action for the common welfare. A great debate between these two principles of National action would be a great education not only for America but for all peoples with democratic institutions or democratic proclivities.

## THE TARIFF BOARD

Last week Indiana Republicans adopted the following admirable plank :

We demand the immediate creation of a genuine, permanent, non-partisan tariff commission, with ample powers and definite duties fixed in the law itself.

This is the proper and logical sequence of the Tariff Board provision of the Payne Law passed last August. That law was, as The Outlook has said, an advanced, "step in the line of economic, political, and social reform," not only because President Taft persuaded Congress, in conference between the two houses, to make the tariff schedules of the Payne Bill more radical than either house of Congress had provided, but especially because it provides for four desirable reforms :

(1) Practical free trade with the Philippines.

(2) A corporation tax.

(3) A customs court.

(4) A tariff board.

While Congress declined to provide for the permanent, non-partisan tariff commission which President Taft recommended, for which Senator Beveridge introduced a bill, and which the Indiana Republicans now demand, it did grant seventy-five thousand dollars to the President, at his request, to employ "such persons as may be required" to help him in determining the application of the maximum and minimum tariff. This determination, of course, was a necessary service in connection with the maximum and minimum provision of the Payne Law. To countries whose tariffs do not unduly discriminate against our products the new law grants a minimum tariff, at a lower general level than were the Dingley rates which it replaces ; to countries which do unduly discriminate it imposes a maximum tariff of no less than twenty-five per cent *ad valorem* over the minimum.

The fear of the imposition of such a drastic maximum induced many countries to grant concessions. The work of the Tariff Board has been to advise the President regarding the facts and to assist the State Department in negotiating terms of concession, to make clear the character of the concessions granted by our minimum tariff and of those granted in return by

foreign countries. Through these concessions, our general tariff relations have been lowered so that now from fifty to sixty per cent of our products are admitted free to foreign countries, while, of our products paying a duty there, nine-tenths now pay no more than the minimum.

Many Congressmen say that this is the only work which the Tariff Board was asked to do.

But Mr. Taft's main reason for urging the creation of a Tariff Board was not to help him in determining the application of the maximum tariff ; it was to help him concerning the tariff in general, by finding facts—so that when enough accumulate to justify Executive recommendations as to any particular schedule or as to the tariff as a whole, he would be able to refer to this impartial and accurate evidence as having been officially collected, and not gathered, as Congress has hitherto gathered it, with reference to a particular issue or a particular rate. Concerning this the President said in his December Message to Congress : " I believe that the work of this Board will be of prime utility and importance whenever Congress shall deem it wise again to readjust the customs duties. If the facts secured by the Tariff Board are of such a character as to show generally that the rates of duty imposed by the present tariff law are excessive, I shall not hesitate to invite the attention of Congress to this fact."

Though the conservatives in Congress had no intention of granting the Board powers thus outlined, they had all unwittingly provided the President, and he has, we are glad to say, wittingly provided the country, with working machinery for another and more thorough tariff revision.

That duty and labor will comprise the second chapter in the Tariff Board's history. Fortunately, it has not been necessary to close the first chapter before beginning the second. More work has already been done in writing that second chapter than is generally surmised. But much remains to be done. It will require very many agents, working under the direction of the three members of the Board. As Professor Emery, the chairman, says in the letter addressed by the Board to the President, at the latter's request, and printed with his Message to