Civil Liberty Dead

It is estimated that in New York and near-by towns 75,000 men have been "arrested" in the last two days by tax agents of the Department of Justice, assisted by soldiers, sailors, and patriotic organizations inspired for that purpose, and that fewer than 3 per cent. of those arrested were found to be "slackers" in fact. This means that over 70,000 citizens who had faithfully discharged their self-imposed obligations in the first selective draft were rudely seized in their going to and fro, bundled into trucks and improvised patrol wagons, exposed in a helpless manner to the boos and jeers of the populace, detained for hours in barracks and armories, and at last released without any possibility of redress.

Thus speaks no pacifist or anti-war newspaper, but the Republican, intensely pro-war, "bitter-end" New York Tribune. It errs on the side of mildness. Senator Johnson likened these raids to the application of the "Law of Suspects" during the Reign of Terror of the French Revolution. Senator Calder and other pro-war Senators were unrestrained in their denunciation, and even Senator Sherman asked: "Is there any material difference between this militarism and Kaiserism in Berlin and the bayonetting of innocent men about the streets of New York?" No more disgraceful or more lawless happening has occurred in the metropolis. These arrests without warrants, mostly by striplings in uniform and irresponsible agents of a volunteer, self-appointed protective (!) league, were an offence against the historic spirit of the nation, as they were a deadly insult to the men who had submitted to the draft, either joyfully or with patriotic resignation. It was Prussian militarism pure and simple, even if it emanated from the Department of Justice.

No wonder the President has ordered an inquiry. Men were torn from their wives' sides in the theatres, yanked out of street cars, pulled off milk-wagons and trucks of all kinds, which vehicles were left to stand where they were abandoned. Men from up-State and New Jersey—and there were thousands of them—who had no warning of the raid and had left their cards at home—were first taken to police stations and then to an armory, where everything was in utter confusion and where many spent the entire night upon their feet. Numbers were held by the police who showed their registration cards, but were without their classification cards, which have never been issued by the draft boards of many up-State towns. And always there was this Prussian spectacle of men with rifles in their hands surrounding groups like the curb-market brokers in Broad Street as if they were criminals. This not in Russia nor in the home of the "Beast of Berlin," but in America, the home of democracy, the land of the free.

The most amazing thing about it all is the long-suffering patience of the public. In England the Government has never since the beginning of the war seen the day that it dared undertake such a raid on the rights of its subjects, and, so far as we are aware, nothing like it has ever been attempted in France. How will it read when, with the inevitable exaggeration, it reaches the Berlin press? It was Oliver Cromwell who said: "There is but one general grievance, and that is the law." It really seems as if the Department of Justice intended the American people to feel similarly. Certainly nothing that the I. W. W. has ever done or dreamed of doing could make the draft so unpopular in a few short hours with so many supporters of the President and of the war as this act of the Department of Justice, or of its ill-advised agents. Do they share the opinion truthfully or untruthfully attributed to an English cynic, that one can put anything over on Americans, who wear the same clothes, think the same thoughts, and read the same newspapers?

But, after all, the worst feature of the affair is not the official anomaly. It is the fact that personal liberty and freedom have disappeared in America, and that the bulk of our vocal patriots thoughtlessly approve of it in the earnestness of their desire to win the war. At the very moment when the British Labor party and the Liberal party together have demanded of the Lloyd George Government that freedom of press and speech shall be restored at once—now, not when the war ends—when the French Socialists have just unanimously voted that, war or no war, there will be a general strike in France if Clemenceau again denies their passports to Socialists who desire to attend the long-planned Inter-Allied Socialist Conference—we in America are witnessing the suppression of the right of public meeting and of a free press, with almost no protests. The freedom with which the Manchester Guardian, the Daily News, the London Nation, and a host of other papers in England and Ireland criticize the Government for the Government's good is unknown here. Senator Johnson did not exaggerate when on Friday last he declared that the only place in the United States in which there is free speech to-day is the Senate in which he spoke. Both Democrats and Republicans denounced the New York outrage irrespective of party lines. But when so weak and ineffective a Senator as Mr. Sherman, of Illinois, begins to attack the Administration, as he did in a lengthy speech on the third of September, there is at least this much encouragement: it appears that there is the beginning of that Opposition in Congress the need of which has been so painfully obvious. If the Republicans are searching for an issue, they need look no further. If the American people could realize what has been done and is being done throughout the country in the name of liberty, they would emphatically demand and support an organized Opposition to the end that this government may again be a government of laws and not of men.

An official of the Department of Justice was privately asked this week why an American newspaper was denied the mails because it contained an editorial from the London Nation, passed as proper both by the British censor and the American Censorship Office; why the Public, a most devoted and loyal upholder of the war and of the President and Secretary Baker, has twice been denied the mails. He had no explanation to offer. What is the explanation of it? Why is it that a democracy that ought to be infinitely more jealous of its constitutional rights and prerogatives than a limited monarchy can thus in a year's time knuckle under to official bureaucracy and autocracy—without protest? What is the psychological explanation? Is it terrorism? Is it the all-embracing Espionage act, under which a man may go to jail for expressing an unfavorable opinion about the principle of a draft, or for saying that this is a capitalistic war? Is it the result of official propaganda, or of an over-cultivation of the narrowly nationalistic spirit? We cannot answer. But we are certain that if the war goes on much longer and Mr. Wilson wishes to retain such leadership of the world of liberalism as he has obviously won in the last eighteen months and to shape the outcome of the war, he has no time to lose in examining what is being done to make democracy unsafe in America.
The One Thing Needful

THE labor missions that we send abroad seem to be singularly unproductive of information. They go as propagandists rather than as reporters. Mr. Duncan has been abroad recently; Mr. Spargo and Mr. Gompers are there now. They went on a crusade, a salesman's drive, when every circumstance of the occasion indicated that if they were to go at all, their mission should be that of an explorer. The one thing needful at the present moment is that we should know the whole state of European labor. On its industrial side, our war programme must be based on accurate knowledge of the capacity and intention of European workers, and on its political side no less must it be adjusted to the power and purpose of the whole European proletariat. Nor is it enough that our Government should have this information; our people must have it. The old tripartite division of function in former wars, when an upper class planned and directed, a middle class found the money, and a lower class fought and labored, is no longer possible in any nation. Mr. Winston Churchill admirably describes this present war as a race with revolution; and whether the revolution be violent and bloody or "a revolution by due course of law" depends finally upon nothing but the opportunities permitted the several peoples to gain true knowledge of one another's conditions and purposes. No less grave than this is the matter which emissaries like Mr. Gompers have in hand. Mr. Duncan went to Russia; he was looked to for a full and authoritative report of the conditions of Russian labor. We know now, to our cost and discredit, what his observations were worth. Mr. Gompers will be looked to for a report on British and Continental labor. We can anticipate the formula. He will return to "an Atlantic port," where he will "express his confidence" in this or that, and then presently make his way to Washington to "assure the Administration" of this or that. Nothing more is to be expected. Mr. Gompers, like Mr. Duncan, goes abroad as neither an observer nor a prophet, nor has he the first qualification for either rôle. He is a salesman on a drummer's rounds. He went, as a New York paper grandly says, "to sell this country's idea of victory to the pacifist elements in Allied countries, especially England." When Mr. Gompers drops the sample case and mounts the tripod, therefore, the public will get from him at his best merely the kind of information that a sturdy partisan drummer, travelling continually in an atmosphere of sheer bagmanism, is able to furnish; and with all that the public can do nothing.

A belligerent people has no way of viewing foreign peoples simply as men and women of like passions with themselves, at work in a common world; and this is precisely the view it should by right have and must have in the present instance if our readjustments are not to be catastrophic. Americans have the press; but between terrorism and subsidy there are obvious reasons why our journalism may not even pretend to present a complete record of the European labor movement. We have the enterprise of Mr. Creel, but Mr. Creel, too, is a salesman, bearing the burden and heat of the day as he "sells the war" to his fellow-countrymen. Our diplomatic service has commercial attachés, the Department of Labor has agents in foreign service and gets out excellent reprints of European documents and statistics. All this, however, does not quite enable us so to follow the current of events as to make a dependable forecast of the future. Our military reports are of strategy, armies, positions, lines, but not of men. Our industrial reports are of goods, markets, ships, credits, but not of people. They do not help us to understand the swift and subtle play of forces between human beings; and knowledge of these is the essential knowledge that we must somehow get.

How, for example, are we to interpret the action of the British Trade Union Congress on September 4 when it adopted its peace resolution and demanded a voice in the peace conference? Will Mr. Gompers tell us its motive? Is he qualified to have a respectable opinion? If his report becomes to some extent the basis for American policy, shall we be justified in a sense of security? Mr. Spargo, only a few days before the resolution, had an article in the New York Tribune saying that no trade union in England could muster a decent pacifist minority. Is then the overwhelming repudiation of the bitter-enders Havelock Wilson a mere personal triumph for Mr. Henderson irrespective of his views and principles, the triumph of a pacifist but not of pacifism? How, again, shall we regard the attitude of French organized labor towards peace terms and intervention in Russia; its threat of a general strike if passports be not granted to delegates to international conferences; the triumph of the extreme minority Socialists in formulating a general platform? What took place at the recent conference of the Miners' Federation at Southport under the presidency of Robert Smillie; or at the secret session of labor at Perth, West Australia, attended by the Premier of Queensland? The resolutions adopted there mentioned President Wilson by name. The Premier of New South Wales called them "arant nonsense," but even so it would be well to know what was in the minds of those who promulgated them. Does the red flag fly over the Trades Halls in Sydney and Melbourne, and, if so, what does it signify? What are we to think of a five-line item buried in the last page of an evening paper last Thursday, saying that extremists dominated the Socialist Congress at Rome, which passed strong resolutions against the war?

We have had one bitter and shameful experience in permitting diplomats, soldiers, corporation lawyers, and journalists to interpret a social and industrial upheaval in Russia instead of simply and sensibly letting the Russian people, who were chiefly concerned and presumably knew what they were driving at, interpret it themselves. Mark Twain said that while a naturalist's opinion about a bug was very interesting and valuable, he would a great deal rather get the bug's opinion about itself. Why not let European labor speak freely for itself? The opinion of a Cornish miner or a Lancashire overlooker would help us much more to an understanding of British labor than any number of observations from Mr. Gompers. Let Mr. Ramsay MacDon-ald help us further; let M. Longuet help us to understand the French laboring classes, and M. Graziadei the Italian. Let us hear freely from minorities as well as majorities, from the rank and file as well as from the leaders. Let us do all we can to promote the free interchange of opinion among international groups of every name, sect, and persuasion. If there are governmental arrangements that prevent this, let American labor see to it that they exist no longer. It is not a matter that concerns governments. Common understanding is essential to the cooperation of peoples; and without this cooperation no war can be won, no peace made permanent.
A United Labor Party

IS the American farmer, as a farmer, going into politics? In those Western States in which the Non-Partisan League is developing strength he apparently is, for the League is distinctly a farmers' movement. "The farmers of Minnesota have spoken"—so runs a campaign circular which is being scattered broadcast over that State—and David Evans, of Tracy, will be their candidate for Governor in the November election." Mr. Evans, who is styled "a progressive Democrat" in politics, has been in political life for twenty years and an active member of the League "ever since the farmers of Minnesota started to organize." That his farming, with which he combines a hardware business, has been fairly profitable is evidenced by the fact that he "is reputed to own $15,000 worth of Liberty bonds." Back of him are the 151,000 votes polled by the League at the June primaries. With a total gubernatorial vote of 388,938 in 1916 for the Republican and Democratic candidates and 51,666 votes divided between three candidates of minor parties, Mr. Evans obviously has some chance of being elected.

Even more interesting, however, is the fact that Mr. Evans is the candidate of labor as well as of the farmers. "Organized Farmers Unite with Organized Labor to Elect Minnesota's Next Executive" is the sub-heading of the campaign circular from which we have just quoted. "At a great labor political convention held in St. Paul August 25," the announcement continues, "delegates from nearly every union in the State voted to take a hand in defeating both the Republican and Democratic political machines, and formed a league to cooperate with the organized farmers." The unions and the farmers "have seen the necessity for political action to back up the economic and industrial reforms that were never so necessary as now that we are at war"; and they have accordingly joined in supporting the candidacy of Mr. Evans for Governor and of Thomas E. Davis, a well-known lawyer "who has not been hired or tied up by the big corporations," for Attorney-General.

The political union which has just been effected in Minnesota is not without precedent. A few months ago the Pacific Cooperative League and the California branch of the Farmers' Educational and Cooperative Union of America united with the State Federation of Labor to form the California Union of Producers and Consumers. The declared objects of this organization were "to bring joint action to bear on pressing legislative changes; to further public ownership of all public utilities, including transportation and communication; to free the land and society from privileges and monopoly; and to provide a practical plan of cooperation for the equitable distribution of food and other necessities of life." The formation of the California union represented a successful effort on the part of the State Federation of Labor to apply its principles of organization to the farmers of that State, at the same time that the radical programme which was adopted testified to the spread, among farmers and trade unionists alike, of the advanced views which are rapidly transforming the whole political and economic thought of the United States, and which have relegated most of the time-honored tenets of Republicans and Democrats to the political lumber-room.

We have long been convinced that one of the best things that could happen to American politics would be the formation of a united labor party. In saying this we do not at all mean to take the position that the interests of labor as such ought permanently to be set over against the interests of capital. On the contrary, we insist upon the opposite conception. Social life is a whole; its guiding principle ought to be cooperation, not antagonism. We contemplate with no satisfaction whatever the indefinite continuance of a society divided into armed camps, each fighting offensively or defensively for what it regards as its rights, and punctuating its warfare with more or less extended intervals of truce. But in the period of social reconstruction which is now upon us, with pretty much every economic or political achievement of the past on the defensive and new ideas pressing tumultuously to the front, there will be need for some time to come of a national labor party to champion the claims of those who work with their hands against the claims of those who possess or exploit or command.

What the country ought not to have, however, is a labor party of the old sort, based upon trade unionism and representing the opinions and desires of those who, in a narrow sense, are classed as industrial workers. The action which has been taken in Minnesota and California points the way. The economic interest of the farmer in the production and marketing of his crops is often far more closely akin to the economic interest of the worker who labors in the factory or mine than to that of the manufacturer or banker or mine operator. What we have, in fact, in this country is two bodies of producers, the industrial workers and the farmers. Neither is or can be entirely sympathetic with what is popularly called capitalism, each has a vital interest in wages and hours and pensions and cost of living, and both ought to unite. If trade unionism is good or bad for the one, it is good or bad for the other; in either case it is not likely to disappear from the world for a while yet; but the united labor party which the country needs will be not a party of trade unionists, but a party of workers and producers irrespective of union organization or affiliation.

The coming labor party, then, ought to rest in part, as the candidacies of Mr. Evans and Mr. Davis in Minnesota rest entirely, upon the union of farmers and trade unionists in a common purpose. There is a third class, however, without whose presence a labor party would be incomplete, namely, the intellectual workers. The epoch-making programme of the British Labor party contains nothing more inspiring than the inclusion within the scope of its interests of those who work with their brains, as well as those who labor with their hands. No American party has ever addressed itself particularly to the intellectual classes—to the teachers, writers, scientists, and professional men whose economic relations to capital are predominantly those of employees rather than of economic equals, but who nevertheless as a class ought to be, and to a considerable extent are, the mainstay of social reform. There is no place for an agrarian party in this country, nor is it in the nature of intellectual workers to form a political party by themselves. The various labor parties which have appeared from time to time in the past, standing in the main for the claims of trade unionism, have never had the slightest chance of attaining national importance. But if there might now arise, even while the war is going on, a united labor party of industrial workers, intellectual workers, and farmers, the vast body of American sentiment which earnestly desires a better political and economic life than that which we are now living would unquestionably have found a programme and a voice.
Paying the Bill

THE new revenue bill, reported in the House last week, represents in some respects the high-water mark thus far reached in war financing. Not only does it call for a sum unprecedented in tax history, but it discloses a wholesome purpose to continue meeting a high proportion of our enormous financial outlay by taxation and not by borrowing. In the picturesque phrase of Mr. Kitchin, the limit of taxation should be only the impossible. In the second year of the Civil War taxes covered a sixth of expenditures, and even in the last year of that struggle the proportion rose only to a fourth. Of estimated expenditures of $24,329,000,000 for 1918-19, the measure now reported by the House Committee is designed to provide no less than $8,182,000,000, or a full third—the same proportion as last year; and if we assume that the $6,000,000,000 to be loaned to our allies is recoverable, then taxes would provide no less than 45 per cent. of our Federal charges—a proportion not hitherto approached in the financing of a great war. Senator Smoot may wring his hands over the discouragement to industry involved in paying an unnecessarily high proportion of war costs out of the earnings of current industry, but the Treasury and Congress deserve credit for applying the taxing power promptly and heavily, instead of saddling the burden on the future. Let each generation pay for its own wars.

The bill calls renewed attention to the gains made in the Federal revenue system by giving up the old dependence on a customs tariff, and by relying instead upon income and business taxes. In the first year of the Civil War more than 95 per cent. of our revenue came from customs duties; in the very midst of the conflict we were therefore obliged to devise and put into operation a wholly new revenue system. How different to-day! During the past fiscal year we raised by taxation the largest sum ever provided by any nation during such a period; yet we are preparing to double even that amount during the coming twelve months, largely by the simple expedient of doubling or trebling the rates. It is an impressive demonstration of the flexibility of a tax system based largely on income and business taxes.

Of widest general interest is the individual income tax. The existing exemptions of $1,000 for single persons and $2,000 for married ones are retained. In view of the rise of prices, such action means, of course, a certain lowering of the actual exemption. On the first $4,000 of non-exempt income the normal rate is raised from two per cent., as at present, to six, and above the $4,000 limit to twelve, while the surtaxes carry the rate up and up until the income millionaire must give two-thirds of his receipts to the tax gatherer. Probably few persons dreamed, when the income tax was written into the tariff law of 1913, that five years would see it transformed into so sharp a tool for income equalization. To be sure, the man who annually receives $5,000,000 will still have the tidy sum of a million and a half left after his contribution to the Federal Treasury is made. Though not objecting in principle to differentiation between "earned" and "unearned" incomes, the Committee states that it has been unable to devise a practical method of taxing the former at a higher rate than the latter—a problem that the British Exchequer appears to have solved to its satisfaction.

For good or ill, however, under stress of war, we are learning to use the income tax, and a democracy that has once learned that lesson will never forget it.

The contest over the bill is apparently to centre on the corporation taxes as expressed in the profits schedules. Secretary McAdoo and Chairman Kitchin have locked horns sharply here, the former wishing a drastic tax on war profits as such, the latter desiring essentially an excess-profits tax based on the percentage of earnings to capital, rather than on gains due to the war. The Committee's measure appears to be a clumsy combination of both methods, albeit an improvement over last year's enactment. For every reason we desire to see war profits taxed at a very high rate (Mr. McAdoo would levy eighty per cent.), and there is little sound objection to such a tax; on the other hand, the excess-profits tax, as already indicated by the experience of the past year, presents problems of the most intricate character economically. None the less, it does not deserve the undiscriminating condemnation bestowed on it by critics who have not taken the pains to understand it.

The bill contains other interesting and important features enough. Chairman Kitchin and his associates deserve the thanks of the country for having refused to levy consumption taxes by taxing all sales, as demanded by Senator Smoot, for example. By levying $1,138,000,000 on beverages, the Committee may well have put a real obstacle in the way of war-time prohibition. Every great new measure of taxation involves important and sometimes unforeseen economic results; this one will doubtless be no exception. But even as it stands in the Committee draft, the new bill represents a further development of the sound democratic principles of taxation that have been coming to prevail in Federal finance since Mr. Wilson entered the White House. For its part in the work of the past five years, full credit should be given to our much-abused national legislature.

It is fortunate, indeed, that President and Congress have worked together since March 4, 1913, for the improvement of our national tax system; otherwise the war would have found the Government financially impotent. The chairman of the Ways and Means Committee has expressed his conviction that the annual expenses of the Federal Government will never again fall below $4,000,000,000. Even if they do not reach that figure, nevertheless the enormous increase of expenditures gives a wholly new importance to the exercise of the taxing power. We cannot too quickly learn or too soon put into practice the principle that privilege, not property, is the proper source of public revenue. It is because the legislation of the past five years indicates a groping after that principle, rather than a satisfactory embodiment of it, that such legislation deserves approval. The true theory of taxation is not that the "rich should foot the bills." This is in good part the theory underlying the income, inheritance, and profits taxes. In our judgment, it is not only unsound, but vicious, because it caters to the public taste for wealth-baiting. Industry should as far as possible be exempt, and the incidence of taxation should fall on privilege. We have a long road to travel before our tax laws will approach reasonably near that ideal, but at least we may now travel hopefully. Only nine years ago we were enacting a new protective tariff swindle that created privileges for the few by taxing the many. To-day we are imposing income and profits taxes in the attempt to reach the privileges that law has created. Nine years have brought a profound change, and the pending revenue bill is animated by the new spirit. With our feet at last turned in the right direction, we may hope some day to reach the goal.
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