

The Sun

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Taxation at Washington and Taxation at the State Capitals.

The address delivered yesterday by Governor SAMUEL W. McCALL to the Massachusetts Legislature contains a passage of unusual interest concerning the respective fields of Federal and State taxation.

There is no statesman and philosopher now in public life whose views concerning taxation are entitled to more respectful consideration, and nobody capable of explaining his ideas more lucidly.

Under the revenue system which has usually been followed at Washington, excepting in times during or just following war, revenues have been raised by duties upon imports, upon which the national Government has a monopoly of taxation, and which are prohibited by the Constitution as a source of revenue to the States.

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The policy recently entered upon at Washington is a departure from the policy generally followed in the past. It throws away revenue at the customs houses and makes good the deficiency by a direct tax upon property, and thus encroaches upon the sources of revenue heretofore usually reserved to the States.

Taxes at the customs houses need not be wholly or even in part what are called protective. England, which has what is called the free trade system, raises great sums of money at her customs houses upon articles which are not produced in kind in important quantities within her own borders.

Neutrality maintains the status of international law or practice existing at the beginning of the war. A departure in one direction or the other is a departure in the interest of one or the other of the belligerents and consequently an unequal act.

Our Rich New Citizens. By his decision, just rendered at Pawhuska, Oklahoma, Judge HENRY HUDSON increased the number of our citizens 2,229 in one day.

The Osage Indians, who by this decision attained to full citizenship, were enormously enriched by the discovery of new oil fields in Oklahoma.

Uncle SAM is still to look after their real estate. They may do as they please with their personal property; but as varied musical instruments as they fancy, and any family carriage, he it himself, and just as the income tax is one from which a section of the Union is almost wholly exempt, so the automobile tax will rest very lightly upon the same group of States.

The original Constitution gives the national Government the power to apportion direct taxes upon the States in

proportion to their population, and if further direct taxes are necessary, as they surely are not, it might be well to invoke that ancient power in order that all the States might be permitted patriotically to contribute to the support of the national Treasury rather than to confine the different adventures in direct taxation to those peculiar forms which will chiefly fall upon one portion of the Union.

The States perform the most expensive functions of government, and especially those functions which most closely concern the people. They provide education, roads, fire and police protection and many other important services. We raise each year in Massachusetts to carry on our local governments \$92,360,188, or about \$25 per capita. Exclusive of the postal department, where a special service is rendered in carrying letters and commodities, the national expenditure is now about \$9 per capita, and that is larger than it ever has been in time of peace.

The benevolent purposes of ANASIS THORNTON, who at present clanks his distinguished record under the unostentatious title of "a Brooklyn attorney," are momentarily disclosed to compel acknowledgment of the intellectual supremacy and political acumen of ROBERT R. LAWSON, who dwells, with singular appropriateness, on Woodbine street, deep in remotest Kings county.

Too fleeting glimpses of a well known railroad lobbyist contribute to the picture the final touch of verisimilitude and convince the most sceptical that the time honored practice of conserving the public welfare still enlists edifying aid.

Not a new face, not an unfamiliar figure; how diligent and long lived are the self-sacrificing guardians of the common interest!

Unneutral Proposals in the Senate. Our remarks on the advisability of letting Mr. LANSING do the talking just at present apply also to Senators ordinarily to be observed between State and national taxation.

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Osage council, being made up of Indians, could not be bribed. They may now consider themselves bribable, a right apparently held inalienably by some of their white brethren, and get what solace they may from losing their ancient Indian divorce customs.

The constitutional "rights, privileges and immunities" will add very evidently many new responsibilities and complications to the simple life of the untutored red man with more money than he knows what to do with.

The unchallenged public spirit of GEORGE F. THOMPSON animates the reformatory project and illuminates the midnight resignation and its acceptance.

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common people of England made the choice between war and peace. Was Mr. CARLYLE right? Is NORTHCLIFFE wrong? Can the supermen in all nations to-day defy the will of the average men and have their way with reluctant peoples who may possess the machinery but lack the will to rule?

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THE BAROLOG INCIDENT.

Eticladon of a Point That Seemed to Be Plain Enough.

To THE EDITOR OF THE SUN:—It seems to me that your editorial article entitled "The Barolog Incident" completely misses the point of Sir Edward Grey's proposal. You contend in effect that Great Britain ought to accept a "barolog" as a symbol of the charge of inhumanity by British naval forces engaged in the destruction of a German submarine because such acts if committed by the German Admiralty are not in accordance with the ethical standards claimed for the British navy; on the other hand, to put it in your words, "the German Admiralty is responsible for 'submitting warships' and defends it as a policy the charge of inhumanity would be denied."

On turning to the text of the British proposal, it will be found that that which it is urged should be included in a neutral inquiry is not the apiece of acts engaged in by the German navy, but the "barolog" incident, which has received the highest awards at the hands of their Emperor, monstrous as those proceedings were from every standpoint.

Mr. Maurice Leon completely missed the point of the editorial, which was that for the honor of the British navy the Government should make a frank statement about the Barolog incident, admitting or denying what was charged against the captain of the patrol boat and publishing the information in its possession.

CARRANZA'S LEADERSHIP.

An American Long Resident in Mexico Speaks Well of It.

To THE EDITOR OF THE SUN:—I have lived in Mexico for a quarter of a century and was there during the period spoken of by Mr. Henry Lane Wilson in his editorial of Washington, D. C., in THE SUN of January 5, 1916.

SHERMAN ON WAR.

Opinion of a Widow Whose Husband Heard His Characterization.

To THE EDITOR OF THE SUN:—As the widow of one of our soldiers, I would suggest to the women of this country that a thorough training of their sons in an upright life to fit them for decent fatherhood would be far better for them than to arouse their animal natures to shed the blood of brotherhood.

THE BAD TASTE OF A SUBMARINE MORTIFICATION SHOW.

To THE EDITOR OF THE SUN:—There are not lacking those who think the United States submarine is a joke. In an alleged funny motion picture recently exhibited on Broadway and alleged in the programme to have been taken on a United States submarine by the permission of Secretary of the Navy Daniels, the leading actor, in a travesty on a United States naval officer, assisted by his troupe, gained life, enlisted men of the navy, indulges in such horseplay as certainly is not seemly upon any United States vessel, not even a submarine, with or without permission of the Secretary.

One Putnam, who was born this day, this the Pacific might say, "I, too, thought I was dead as a doornail, but changed my mind at Hunker Hill."

PENALIZING NEUTRALITY.

Observations of Readers of "The Sun" in Trying Times.

To THE EDITOR OF THE SUN:—In view of the record of the United States during the last seventeen months I venture to make the following suggestion: Take down the sundry soldiers and sailors' monuments that are scattered over the various States and in place thereof erect statues representing Uncle Sam bending over writing a note about "strict accountability" and the Kaiser giving him a check for the amount of \$100,000,000.

Opinion of a Heated Patriot. To THE EDITOR OF THE SUN:—Many of your readers are wondering why, during the last few months, you have joined the pitiful band of peace at any price advocates.

Shall We Erase Americanism? To THE EDITOR OF THE SUN:—I have read your editorial of January 5, 1916, and I am sure that it will be read by many of your readers with a feeling of indignation.

THE PROGRESS OF INFAMY.

To THE EDITOR OF THE SUN:—Two years ago for a passenger ship to be sunk on the high seas without warning and by deliberate intention would have been an unbelievable atrocity.

NEW DETESTS THE NAME OF NEUTRAL.

To THE EDITOR OF THE SUN:—If the people of our country do not accept this, so-called, from the Austrian-German Government, his party will not get a "look in" in the next national election.

ILL AFTER MAKING PLEA.

Michael Kenney, Attorney in New Haven Case, in Serious Condition.

OPPOSES STATE INCOME TAX.

Reform Association Fears Injury From Mills Plan.

AMENDED VERSION.

To THE EDITOR OF THE SUN:—The SUN lines: Sink ink.

Advice Cromwellian. Our motto is: "In God we trust." To have our trust in God turn out to be a failure would be a disaster.

ASSERTS NEW HAVEN MEN SHIFTED BLAME

R. L. Batts Sums Up for Government in Case of Eleven Ex-Directors.

JUDGE TO CHARGE TO-DAY. R. L. Batts of Austin, Tex., former law partner of Attorney-General Gregory and special Assistant Attorney-General, yesterday summed up for the Government in the case of the eleven former directors of the New Haven railroad, nearly three months on trial on a charge of conspiring to monopolize the transportation facilities of New England.

Large Crowd Present. The fact that the trial, called the most important for railroads ever conducted under the Sherman anti-trust act, drew a large crowd to the court room.

Mr. Batts spoke for five hours, although he is just recovering from an attack of grip. Starting with the assertion that the jury had the responsibility of nullifying the criminal section of the Sherman anti-trust law, he said all the defendants must be found guilty, for all had participated in acts which it was admitted had perfected a monopoly of the railroads of New England.

Mr. Batts said that he had not always told the truth when he had been in the trial, but he admitted that he had once perjured the truth for the sake of the late J. P. Morgan.

EXPLAINS TRADE PLAN.

W. D. Straight Tells Advantages of Men of Overseas Commerce.

REDFIELD PRAISES TRADE CORPORATION.

Secretary of Commerce Says New Concern Is Great Step for the U. S.

The organization of the American International Corporation to push American trade throughout the world was called the greatest step forward in American history by Secretary of Commerce Redfield yesterday at a luncheon given in his honor at India House by W. I. Saunders, chairman of the board of the Ingersoll-Rand company and one of the directors of the new corporation.

Mr. Saunders had arranged the luncheon to give Mr. Redfield an opportunity to meet some of the officers and directors of the American International Corporation and to promote a spirit of cooperation between the Government and those who are working to advance American trade.

Mr. Redfield was Charles A. Stone, president of the new corporation, Benjamin Winthrop, John P. Herrick, Charles M. Muehle, Ambrose Monell, Frank A. Vanderbilt, Theodore N. Vail, R. P. Taylor, Charles A. Sablin, Otto H. Kahn, William C. Clegg, J. P. Morgan, J. P. Morgan, Dr. H. S. Pritchett and W. E. Corey.

The luncheon was notable not only for the sanction which Secretary Redfield gave to the project, but also for the emphasis laid both by him and by Frank A. Vanderbilt upon the close cooperation between the Government and business in taking advantage of the present unparalleled opportunities presented to American business men.

The impulse behind the organization of the American International Corporation, Mr. Saunders said, was one of patriotism. He said that the Government had a right to expect that the American people would contribute to the advancement of American trade.

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