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## AN INHERITANCE TAX.

Some Reasons Why It Should be Adopted in This Country.

### ACCUMULATION VS. CREATION

Impossible for a Man to Earn a Million of Dollars.

#### The Law in Other Countries.

The following is an extract from a paper prepared by Dr. C. F. Taylor and read before the American association for the advancement of science at Buffalo, N. Y. The subject of inheritance taxation has never received much attention in this country, but is at this time rapidly coming to the front as a political issue in many states.

Dr. Taylor says the disposition of property by will is not a natural right.

When an owner of property dies the property that formerly belonged to him is distributed to his children or his nearest kin, or according to his will, if he has left a will. We are so accustomed to this that we think heirs of the blood have a "natural" right to claim the property that belonged to their kinsman now dead, or that a possessor of property has a "natural" right to direct by will what shall be done with his property after he is dead. Instead of being natural rights these rights are entirely artificial. Being created by law they can be unmade by the same power that made the law.

As a brief inquiry into what is "natural" in these respects let us take a peep into the animal world. Who ever heard of a bird building nests to leave to its grown-up descendants? The following would be a very ludicrous picture: An old and prosperous bird dies. He leaves a row of nests to be rented out to other birds for the benefit of his fortunate family. The rental price is a nice fat worm of certain dimensions every morning and evening for each nest. Let us imagine one of the birds suffering from indigestion and headache. The doctor is sent for, and being of a sensible and independent sort, says plainly, "You need exercise." The indignant bird does not like the idea of "hustling" out upon the wing, so sends for a very fashionable quack doctor, who praises, flatters and indulges, and her birdship spends a life of indolent, miserable ease, and the unfortunate "rotters" spend lives of anxious, overworked hardship.

An equally ludicrous picture could be drawn from any sphere of the animal kingdom. And it does not take us long to see that the natural method is as follows:

Parents give protection and sustenance to their offspring until adolescence; then comes a brief period of training and partial sustenance, which soon terminates in the young adult animal being left to depend upon his own exertions.

Now let us look into the community life of the savage. Possessions other than distinctly personal objects are usually in common. Both individual and tribal existence is dependent upon the protection for which the tribe was originally formed; and this fact is worth taking into account, possessions at death revert to the tribe or to the head of the tribe, to be used for the general good. In this day the sheik of a bedouin tribe possesses all the property of the tribe, not for himself, but for the tribe. For example, the guides at the pyramids turn their earnings over to the sheik. At the death of the sheik, the property descends to the succeeding head of the tribe, as guardian rather than possessor, and always for the general use of the tribe.

As we approach civilized life, we note the individual ownership of property. Out of this grew the laws of individual inheritance. There are those who claim that all the glories of civilization, the discoveries of science, the aspirations of the race grew out of the defining of individual property rights and the protection thereof. And there are those who believe that the crime, the corruption, the misery and woe, the want and destitution, selfishness and greed, and all the misshapen children of these black and luscious monsters, all the unnatural and loathsome sins of body and soul, all of which are confined chiefly to so-called civilized society, are due primarily to the individual ownership of property.

Perhaps a brief consideration of how property comes into existence will throw some light upon the right of individual ownership and transmission and the limits thereof.

Robinson Crusoe did not become wealthy. By his unaided efforts he could not create wealth. The power to create wealth is vastly increased by tools, division of labor, machinery, inventions, etc., and manifestly these are due to society. These agencies have wonderfully increased man's efficiency in creating wealth, and by means of these agencies civilized society has become extremely wealthy in every material comfort, convenience and luxury.

The supreme question which is forcing itself to the front, and will soon demand a solution, is, To whom do these comforts and luxuries, these many forms of wealth created by society, rightfully belong?

While giving individual initiative and enterprise every rightful credit, yet

these alone would be futile. However industrious and enterprising Robinson Crusoe might have been, he could never have had the comforts that the humblest laboring man in civilized society enjoys. Give Crusoe the choicest tools and he would be poor. Place on his island the most advanced machinery of modern times, and teach him all the arts of the skilled machinist and leave him alone again, and he would still be poor. He must have the cooperation of his fellows before his position would be substantially improved.

Given all these conditions, and we find that, while the masses labor from morn till night year after year, and get only a small portion of the product of labor, a few get much more than their just share, have servants, go abroad to live, leave vast estates, etc. If the workmen are indebted to the advantage of society for the improvement of their condition over that of Crusoe, how much more is the man who accumulated (not created) wealth indebted to society! For example, in the midst of our great fortunes today, the following calculation will be interesting: It will be readily granted that a workman who saves one dollar per day above living expenses every working day, and who has the opportunity of doing this continuously month after month and year after year, is very fortunate. But let us suppose that a workman began working and saving at this rate at the beginning of the Christian era, and that his life had been miraculously prolonged through all these centuries, how many millions (barring interest) would be worth today? You will be surprised to hear that his first million would be only a little more than half earned. Then what shall we say to those who get not only one million, but many millions, during the brief time of the efficient portion of a human life? Certainly millions more get more than the advantage of tools, machinery, and cooperation in the ordinary sense. It is only by special privileges of some sort that the accumulation of so much as a million dollars is possible. And the "accumulation" is not the process of earning, but of in some way including the forces of civilized society to contribute to individual coffers instead of to the general good.

Our laws give protection in the possession of these unearned and unnatural large fortunes; not only protection in their possession, but the right to transmit the same at the death of the owner according to his will, or, in the absence of a will, the property goes to the descendants of the owner. Let us notice that society, the forces of which much more than the industry of the individual created the fortune, makes no claims as an heir to the fortune; or, to put it in another way, the state, by means of whose institutions and fostering protection the accumulation and retention of a large fortune become possible, makes no claims as an heir at the death of the owner. There are two reasons why society or the state should be an heir in these cases. The first is, if the forces of society, rather than the forces of the individual, created the fortune, society should have a right to the possession of at least a part of the fortune, if not at the time of the accumulation, certainly after the accumulator is dead.

Second, the state has many wards growing up in vice and ignorance, and it needs its rightful resources to give healthful and moral surroundings and useful educational advantages to those who, without such aid, will become criminals and paupers instead of useful citizens.

We have seen that in the animal world the "natural" inheritance of the offspring is sustenance during the period of incapacity, and training during the period of adolescence. It is seldom, and only through accident, that the young animal fails to receive this natural inheritance. When adult life is reached further inheritance invariably ceases. Should not society, or as some would prefer to express it, the state, insure to its needy young this "natural" inheritance, particularly when it has so good a claim as an heir to these large unearned fortunes? Those who inherit by descent or will these immense fortunes (only by grace of the law) get a superabundant and undeserved inheritance, while the waifs of society do not even get their natural right of sustenance and training.

My proposition is to take a portion from the excessively large inheritances, and with this portion restore the natural and rightful inheritance to the waifs. The abstracting of a part of an inheritance is usually called an inheritance tax; but I protest against this theory. An estate, whose former owner is dead, belongs to no one, except by the grace and consent of the state. Ex-Premier Rosebery says that the dead hand has no rights. The will that the hand now dead has executed is also dead, except as the state brings it to life. The descendants of the former owner did not earn the wealth, hence it is not theirs, except as the state may permit. There is abundant legal authority for this position.

I contend that the state should be a first and preferred heir to a portion of every excessively large estate; after which the remainder may be divided as at present. The state's inheritance should not be put into the general fund for ordinary expenses, but be devoted to the establishment of institutions for the sustenance and training of children from the slums of the cities whose natural protectors have either died or are incompetent.

The principle of inheritance taxation is well established all over the civilized world. England gets twice per cent of her total revenue (about \$55,000,000) from this source, and some countries get as high as twenty per cent. France taxes gifts during life, as well as property transmitted at the death of the donor. The experience of the world shows that this kind of tax is collected easily and

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## RAILROAD PROBLEMS.

The Authority of the Government to Buy Railroads and Operate Them.

OPINION BY T. E. WATSON.

Title to Railroad Property Not More Sacred Than to Private Property.

#### The Principle of "Eminent Domain."

The problem of government ownership of railroads is not well understood by the masses of the people. Most people do not understand the meaning of the "right of eminent domain" and the method by which government ownership could be brought about.

A prominent railroad official, B. W. Carter, recently wrote a letter to Hon. Thomas E. Watson, asking him how the government could obtain possession of the railroads. This railroad official said that he regarded railroad "charters" as "contracts" between the companies and the state and inquired of Mr. Watson, "Can the state ignore its contracts, and retake the soil on which railroads have been constructed?"

Mr. Watson called Mr. Carter's attention to the fact that if he will look in Webster's dictionary he will find that the "Right of eminent domain is that superior dominion of the sovereign power over all the property within the state, including that previously granted by itself, which authorizes it to appropriate any part thereof to a necessary public use, reasonable compensation being made."

In short, the principle of eminent domain is that the sovereign power in a state is supreme; that individual good must give way to general good; that private property must yield to public necessity—reasonable damages being paid.

This is the law under which the railroads got their real estate. It must occur to Mr. Carter upon reflection that it would be a strange state of things that the legislature could take his land and give it, at an assessed value, to the railroads, and that after the railroads got it the title was more sacred than when he had it.

A railroad cannot own land by any higher title than Mr. Carter does. When public necessity takes a slice of his land for a corporation, why cannot the same law get the land back and hold it for the public for whose benefit it was first taken?

Mr. Carter asks me if I think a charter is a contract. Under the decisions I am bound to say yes. But when the state grants him a headright grant to a piece of land, is not that also a contract? Is not every man's title to land a contract which the state by its constitution and law engages to protect?

By what course of reasoning do we get the notion that Smith's land deed is less sacred than a railroad charter?

Let us illustrate: In the city of Atlanta the railroad companies have certain lots of land. Upon these lots they build various houses.

Now, in the same city there is the National Building and Loan association owning lots and owning houses.

There are also your individual citizens owning lots and houses.

A great fire breaks out and becomes unmanageable to the fire companies. The city authorities decide that to save the great capital city of the state it is necessary to blow up an entire block of buildings and thus make a gap in the progress of the fire—and so stop it.

Mr. Carter must admit that under the law the houses of the private citizens can be destroyed to save Atlanta.

He must admit that the houses of the Building and Loan association can likewise be blown to pieces.

Will he for a moment contend that the houses belonging to the railroads cannot be made to yield likewise to public necessity? Certainly not. He will admit that the law which takes from the one will take from the other.

Well, if the city of Atlanta can take railroad property under the law of public necessity, why cannot the national government do likewise?

Mr. Carter will remember the great Chicago fire of 1870. Does he know how it was checked?

Gen. Phil. Sheridan, seeing that the usual means were entirely unable to master the flames, blew up block after block of the finest buildings in the great city, and thus stopped the fire. Corporation property was destroyed just as that of individuals in order that public good might result.

Judge Thomas M. Cooley is one of the greatest lawyers now living. He is an authority upon the subject of constitutional law, and he certainly cannot be accused of hostility to the railroads. He says:

"It is the rightful authority, which exists in every sovereignty, to control and regulate those rights of a public nature which pertain to its citizens in common, and to appropriate and control individual property for the public benefit as the public safety, convenience, necessity or welfare may demand."

To show Mr. Carter the absolute want of reason for his fears that the law is against us upon this point, I quote from some of the decisions of the courts:

In 34th Mississippi, page 227, the court says: "The right of eminent do-

main) is inherent in all governments, and requires no constitutional provision to give it force."

In a New York decision this language is held by Judge Hogeboom: "Title to property is always held upon the implied condition that it must be surrendered to the government, either in whole or in part, when the public necessities, evidenced according to the established forms of law, demand."

Judge Cooley expressly says on page 651 and 652 that "Every species of property which the public needs may require" is subject to the law of eminent domain. In enumerating the different kinds of property he mentions corporate property and franchises, and cites a long list of decisions to sustain his position.

There are no authorities and no decisions to the contrary.

Hence we think Mr. Carter, having had his reasonable objections respectfully met, may dismiss that particular point in the discussion as not being well taken, and may follow us as we examine the more serious arguments usually advanced in opposition to the railroad plank of our platform.

It being quite clear that the law authorizes the government to pay a fair price and take the railroads for public use, the next thing to consider is this:

Does the public good require it? To answer this question we must study the present system of corporation ownership and get a correct idea of its dangers, its evils and its abuses.

At the very start, we ought to bear in mind that the railroads were never intended to be private property in the usual sense of the word.

Our law makers did not consent that any corporation should own the great powers and privileges of transportation in the same way that you own your horse or your cow. You hold your land and your stock without owing any duties to the public except to see that your property does no damage to your neighbor.

Such property is private and personal; you buy it for your private use, pay for it with your private funds and use it for your private good. The public did not help you get it, and the public is not concerned with the way you manage it.

But with the railroad property it is different.

They got their lands and their charters and their various powers and privileges upon the distinct idea that they were to undertake the discharge of public duties in a manner beneficial to the public.

They hold their property pledged to the public duties they promised to perform.

Hence when the chartered rights granted them are exercised without regard for the good of the public, common sense, as the instinct of self preservation, suggests that the people should change the system.

Under our law neither a private person, nor a corporation, nor even a state can get the ownership of a navigable river. Why? Simply because a water highway concerns the public generally, and the public should keep it open for the free use of all.

Thus the Savannah, or the Ohio, or the Mississippi river is as much the property of plain John Jones as of the Vanderbilt millionaires. The humblest rowboat has as much right to use those water highways as the costliest steamship.

Thus our forefathers said in the strongest sort of way that those things which were of a public nature ought not to go into private control. The commerce of the whole world is interested in having open roads. The man who travels and the man who ships freight have a natural right to do so without paying a tax to some one else for the privilege.

If you want to raft your logs or your lumber down the Ohio, you have the right to do so.

If you want to get into a boat and travel down the Savannah, you have the right to do so.

By the wisdom of your forefathers the water roads have been kept open, the government owns them, and the beggar has as much right to use them as a king has.

The same principle applies to your dirt roads.

We used to have toll-gates in some parts of this country, and the citizen who carried his produce to town had to pay a tax to some private corporation which owned the road.

But the turnpike road, with its vexatious charges for travelers and vehicles, has almost disappeared and we now have the free dirt-road from ocean to ocean.

The public works them, and the public owns them, and the public uses them.

Upon our rivers and upon our dirt-roads will be found about the last remnant of that principle of equality upon which our republic was founded.

As an instance of the insolent appropriation of property by the corporation, notice the telegraph line which has been strung along the dirt-roads of Georgia! This "right-of-way" for the corporation was worth thousands of dollars.

What did they pay? Nothing. The public road belonged to a drowsy public. To grab it and use it was the idea of the wide-awake corporation. They grabbed and they used. And the drowsy public looked on, grumbled and submitted—as usual.

Those dirt-roads belong to the land-owners on each side.

The public has no title to the road-bed except to use it for travel. Should the public quit using it for travel, the land-owner could again fence it in and grow his crops upon it.

What right did a New York telegraph corporation have to move in and take possession? None. Nor did the legislature have the right to grant them the power.

(Continued on Fifth Page.)

## WHEAT FOR ENGLAND.

Decreasing Wheat Area a Serious Problem for the English People.

DEPEND ON OTHER NATIONS.

Thirteen-sevenths is Supplied by the United States and Russia.

#### Effect in Case of War.

The Cable, London, publishes an article written by Thomas G. Read on the wheat supply for Great Britain. In view of the present conditions of the wheat market and the position occupied by this country at this time in supplying the wheat to the world, the article is interesting. Mr. Read says: "How to place this country (the English government) in a more secure position as to the wheat supply is the most important problem that at present requires solution. It is the most vital Imperial question. We now have a hand-to-mouth supply of wheat, and for over two-thirds of our daily bread we are dependent on the will of foreign powers."

"Slowly the total average amount of wheat held by us at one time has decreased, until we now, on an average, have only about two weeks' supply in London, and one month's requirements in the whole country, and import nearly a week's supply each week. Without doubt we are tempting Providence to our undoing."

"Last year our possessions sent us only sufficient wheat for three weeks' bread, and we were dependent on foreign countries for more than two-thirds of our daily bread. Of this foreign supply the United States and Russia sent us about thirteen-sevenths."

"Surely this is a most dangerous position for this country to be in, as war with either the United States or Russia would expose us to most serious scarcity, whilst hostilities with both countries would be certain to bring us face to face with famine."

A hostile fleet of modern Alabamas would be more likely to bring the British empire on her knees, under present conditions, than a fleet of the most powerful battle-ships.

During the war between China and Japan rice was declared contraband of war; without doubt wheat will be declared to be contraband of war in the next naval war in which we are engaged. The enemy would be likely to receive information of the departure of any ships bringing us wheat. If our agents abroad had purchased this wheat for us, the nation who had sold it would be likely to be pleased to hear it was lost, as the remaining wheat they had to sell would be increased in value.

The insurance against war risks would be very high, and necessarily the price of wheat that reached us would be enormous. The poor would die like flies, and hunger would be fighting for our enemy more effectively than any armed force; and although our navy might be victorious wherever they were able to meet the enemy, without doubt a bitter cry of anguish would go up from our starving people for bread and peace, and our government would be helpless to resist that cry.

Thus might our magnificent empire be shattered for want of a little wheat.

Many regard our possessions as likely sources to obtain all our wheat from; they have sufficient land, it is true, to grow all our requirements, but the people are not ready for such an undertaking, and even were they to grow sufficient wheat to meet our requirements, we should still have the question of hostile fleet raiders to face. A nation should for her daily bread depend only on her own resources, on her own fields, stock-yards and granaries.

Where this is impossible the ideal state should be reached to such a degree as can be effected with moderate sacrifices and state help. Whilst promoting an increase in our own wheat area we might encourage our possessions to send us more wheat."

The wheat area in the United Kingdom has decreased, as shown in the following table:

Year.	No. of Acres in Wheat.
1856	4,213,651
1866	3,649,584
1876	3,114,555
1886	2,355,451
1896	1,734,118

On another page of this issue Mrs. Louisa Belle, a farmer's wife, gives her experience with the Shepard Medical Institute. Five years ago when Dr. Shepard adopted a low monthly fee for all patients other doctors made vigorous objection but Dr. Shepard continued his practice just the same, and today is treating hundreds of patients each month. His practice is probably the largest in Nebraska. His business standing and responsibility is beyond question. Hundreds of the best people in Iowa, Nebraska, Kansas and other western states are taking treatment and praising it. Every week several cured patients will testify in these columns as to his or her cure. Our readers should investigate Dr. Shepard's treatment and plan; it will cost nothing. Write to him and ask for his free circulation blanks with particulars of the Home Treatment. After you have investigated the matter if you want the treatment it will cost you no more than the medicine alone would cost at your local drug store. If you don't want it there is no harm done. See statement on another page. In writing address Shepard Medical Institute, 311, 313 and 315 New York Life Building, Omaha, Nebraska.

## FROM THE GENEVA SCHOOL.

Something of the Manner in Which it is Conducted.

The Geneva Industrial School was built in 1891 and is located one-half mile northwest of Geneva, Fillmore county. There are now seventy young girls at the school. Perhaps there is not another state institution in the state that will accomplish as much good for the future generations as this school, for the reason that here many of the mothers of the next generation are taught, not only books and literature but the useful avocations of life, and their moral and spiritual natures are developed as well. They go forth from this institution realizing that they are to be useful women in the world. Whereas without the teaching they receive here it would be better for the state and posterity that they never were born.

It might be well in this connection to know something of the officers who have this school in charge. The superintendent, Mr. Weber, believes in the teaching of him who died on Calvary and by his example he inculcates into the minds of these girls the right ideas of true womanhood. In politics he is a populist, having been several times in the legislature, either as a member or clerk of some important committee, a delegate to the Cincinnati convention in 1891, and to the late St. Louis convention which nominated Bryan, and is now secretary of the state central committee. Mr. Weber has made some most excellent selections in those who assist him in the institution. The matron, Mrs. E. S. Philbrick, of Polk county, was for three years a missionary to Africa, knows well the importance of training young girls for useful lives. Mrs. M. V. Willard, of Grand Island, who is family manager and teacher of the "A," or older class of girls, is a mother herself, and takes as much interest in these young ladies as many of their own mothers have done. She has the love and respect of all her class.

Miss Laura Cook, of Fairmont, is the family manager and teacher of the "B," or smaller class. She has been a teacher for nine years. She never tires in doing her work and working with the little ones. J. C. Brennan, of Omaha, is clerk and steward. We predict that no investigating committee will ever find a shortage in his accounts. Mrs. E. H. Baker, Crete, has charge of the sewing class, where the pupils are taught to do all kinds of sewing. Mrs. Tucker, of Geneva, teaches them how to cook, and Miss Mabel Donovan, of Geneva, has charge of the laundry department. Messrs. Kromer, of York, and Busher, of Lincoln, look after the engineering and plumbing department. M. Martin, of Valparaiso, attends to the farm. T. C. Casine, M. D., of Geneva, is their physician. When any of the readers of the Independent visit Geneva they should not fail to go out and see this institution and make the acquaintances of its genial officers.

## TO THE BUFFALO ENCAMPMENT.

I. N. Leonard, a Veteran from Lancaster County, Will Visit His Comrades.

Mr. I. N. Leonard, the well known farmer in the northern part of the county, has gone to the national encampment of the G. A. R. at Buffalo, N. Y. He has taken with him some samples of fruit raised on his farm. The samples are as good as can be found in the state and will convince the New York people that Nebraska is suited to fruit raising as well as corn and stock raising. That is a practical and sensible way to advertise Nebraska.

Mr. Leonard was a member of the 9th Indiana veteran infantry, in which he served for four years and four months. He has an excellent military record. Was twice wounded at Chatahooche and Stone River. There are few men who were participants in more battles than Mr. Leonard. He has prepared a badge very handsome in its design. It consists of pieces of nickel plated metal with the name of one of the battles in which Mr. Leonard was engaged stamped on each piece, and all of them linked together. There are twenty plates carrying the names of twenty battles, as follows: Green Brier, Buffalo Mountain, Shiloh, Corinth, Pennington, Danville, Wild Cat Mountain, Stone River, Chickamauga, Lookout Mountain, Missionary Ridge, Ringold, Dalton, Resaca, Adairsville, Kennesaw Mountain, Chatahooche, Franklin, Nashville, Goldsboro.

The grain products of Nebraska this year are valued at about \$350,000,000. When sold it will materially increase the volume of money in circulation in the state. An increase in the volume of money always brings good times.

The following is the list of delegates to the populist state conventions from Dawes county: N. G. Stewart, J. W. Plummer, S. J. Bois, F. B. Carley, W. F. Hayward, R. M. B. Stuart, J. J. Adams, Walter M. Bares and Frank Snyder.

At the populist primary in Lancaster precinct held Monday night, a resolution was passed favoring fusion. About sixty voters were present and perfect harmony prevailed. The delegation comes to the convention unfrustrated.

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