

will flow deep, swift and strong. Confidence, like distrust, is contagious; and when one capitalist shows his confidence in Utah by placing his wealth here, his example will be followed again and again. This is a day of quick communication, and the financiers of Wall street watch, like hawks, the developments that are taking place in every portion of the Union. No event can happen in the most remote corner of the United States, materially affecting any financial interest, that is not known within a few hours after its occurrence, in all the money centers of this country. Even the bills bearing upon any phase of finance, introduced in the Utah Legislature, are forthwith reported by telegraph to the financial centers, where the strain is so intense that a strong vibration is started with a touch.

To the candor, intelligence and patriotism of the members of the Legislature, we appeal with the question: Is not the foregoing true? And being true, how should it affect your votes? It ought to inspire you with a firm resolve to vote down, with a majority so strong as to be a notice to all the world, any proposition calculated or likely to unfavorably affect Utah's credit, and any assault, direct or indirect, upon capital will have that result.

The bill to tax debts secured by mortgages or trust deeds, is a bill to discourage the investment of capital in Utah. It gives evidence that our financial policy is not stable, and that the same is subject to change without notice. It is at variance with that reputation for solidity and conservatism which we must continue to maintain, if we are to hold the increasing confidence of capital. The local lenders fix the rate of interest. If they have to pay a tax on the debts due to them from borrowers, they will indemnify themselves by raising the rate of interest. The eastern lender will ask the rate of interest which the local lenders fix. The borrower is thus made to pay the tax on home capital, which tax the public treasuries in Utah receive, and also a like tax on foreign capital which the owners of the latter receive. The borrower is discouraged with the burdens he is obliged to assume, the enterprise he contemplates is abandoned, home labor is not employed, additional wealth and improvements are not brought into existence, the amount of taxable property is not increased, and our commonwealth ceases to grow, which means that it retrogrades.

The strongest argument in favor of the bill referred to, while it was under discussion in the lower house of the Legislature, was that the subject of it "should be viewed from the standpoint of the state." Viewing it from that standpoint, what course does the highest statesmanship demand of the Utah Legislature? It demands that they take a course to encourage the influx of capital, that they make as light as possible the burdens of the borrower, and as strong as possible the confidence of the lender. If the Legislature desires to relieve the poor and unemployed; if it desires the development of our resources, the increase of public and private wealth, the enhancement of our prestige as a commonwealth, and the welfare of all

our interests, it should remember that cheap and abundant capital is the one thing needed.

BETTER THAN BOUNTIES.

There are several measures pending in the Legislature for the giving of bounties to different industries. It is not the purpose of the NEWS at this time to either favor or combat any of these bounty bills, as they are political issues that will doubtless be determined on party lines, and this paper is not in the lists as a party champion. While neither affirming nor denying that a bounty for the encouragement of an industry may be a good thing, we think there is something better and more effective in the way of an impetus to industries of all kinds here in Utah, than any bounties in the power of the Legislature to confer.

The potent force that would make the wheels of our factories hum, cause a forest of smoke-stacks to spring up in our midst, transform into created wealth the vast possibilities of our magnificent resources, and confer upon our citizens all the blessings that would flow from such results, is cheap and abundant capital. A legislative policy that will succeed in persuading capital to come to Utah, either by encouraging progressive citizens to borrow it for active investment in manufacturing or other beneficent enterprises, or in so strengthening the confidence of foreign lenders that they will let their money come to Utah, will accomplish more for home industry, and the employment of our working people, than all the bounties which our Legislature could vote to the most meritorious of our industries.

It is not here intended to discuss the mathematics or metaphysics of taxation. To do this would make it necessary to enter upon the intricacies of a very profound subject. But a surface truth is often as important as any that can be found deeper down, and there is certainly substance in the argument of a gentleman of this city, well known for his ability as a financier, from which it is made to appear that, should the pending bill to tax debts secured by mortgages and trust deeds become a law, the result will be many cases of triple taxation. A man buys a vacant lot and builds upon it an expensive structure. To do this he borrows money. The land, now that the building stands on it, is worth a great deal more than when it was vacant, and the increase in its value increases the tax upon it. The building is taxed at what it cost, or at its value, and the debt secured by a mortgage on the land is also taxed. The financier referred to holds this to be triple taxation, and a great discouragement to would-be improvers of real estate. If the premises be granted, the conclusion is that relief from this discouragement would be as good as, or better than, a bounty.

The points made in the interview with Colonel T. G. Webber, which appeared in the NEWS last Saturday, are well worth the candid consideration of the Legislature. Zion's Benefit Building society, of which Colonel Webber is president, while not claiming to be

eleemosynary in character, nor [to dispense charity, is yet a most beneficent institution. It has been the means of creating many comfortable homes in this city, and of conferring upon the community at large all the benefits that have inevitably followed the results it has accomplished. If the bill to tax debts secured by mortgages and trust deeds becomes a law, the result may be to throw this institution out of business, as the stockholders may, and probably will, so vote, in preference to assuming the burdens the law will place upon them.

The gentleman who is the author of the bill, which, should it become law, is likely to destroy this institution, and the industry of home-creating which it has been the means of carrying on so successfully for many years, is an ardent advocate of a bounty for each of several industries that are asking legislative aid. Now would it not be as well to foster such enterprises as Zion's Benefit Building society by declining to tax them to death, as to give a bounty to some other industry?

Perhaps it is true that revenue laws are necessarily harsh, and that it is impracticable to place their burdens where the same would appear, in the light of equity and justice, to belong. But to tax one industry or enterprise out of existence in order to raise funds with which to pay a bounty on another, is certainly not in accordance with enlightened statesmanship. While again disclaiming either favor or opposition to the bounty bills pending in the Assembly, we have no hesitation in expressing the opinion that a bountiful brain is better than a bountiful hand in a Legislature.

UTAH A BEACON LIGHT.

Appearing under the above caption is an interesting subdivision of the department headed "The Progress of Western America," in the *Irrigation Age* for February. As a tribute which it has only lately been deemed popular to pay to the early settlers of Utah, yet which the *Age* and all fair-minded practical irrigators and state-builders have ever been ready to recognize as their due, we think the extract is well worth reproduction. Here it is:

Every dog has his day—every country its opportunity. The day of fate is at hand for the Greater West. If it shall prove to be the outlet for surplus people and capital at this critical time in our national history, then its development along conservative lines will soon begin, and the movement must prove enduring. What are its capacities for meeting this supreme test? The foundation industry of man is agriculture, using the term in its broadest sense. The Greater West will furnish the most marvelous field for the various forms of diversified agriculture that has ever been opened to enterprise. Major Powell, who will be accepted as very conservative authority, asserts elsewhere in this number of the *Age* that the arid regions will support a population as great as the present total of the entire United States. There is not space in this department to prove by elaborate argument that the agriculture of arid America is peculiar to its promise of almost absolute independence, when considered in connection with the home markets with which it is everywhere sur-