

private pocket. Moreover, in diminishing, as it must, the area of possible action by private initiative, as indicated above, it tends to destroy private initiative and to produce a state of the public mind in which the community is regarded as a universal provider. This state of mind is up to a certain point inevitable in countries where the accumulation of private capital proceeds slowly, and where enterprises that seem indispensable to municipal progress are undertaken by compulsory action, because private initiative does not exist on an adequate scale; but it is a dangerous state of mind to cultivate. It tends almost inevitably toward petty political chicanery, and to the wholesale purchase of constituencies by the party in power. It is not realized that every draft upon the public purse is sooner or later a draft upon the private purse of the citizens. There are numerous instances of municipalities being urged by enthusiasts into undertakings which have been burdens to them, even although some benefits may have accrued. There are, for example, the case of Cincinnati and the Southern Railway, Baltimore and the Western Maryland, the small City of Wheeling and its railway bonds, and Philadelphia and its gas works. It was assumed that the enterprises were necessary. Private enterprise was at the time too feeble, and under pressure of enthusiasts the public found itself impelled to enter upon them. So also institutions which in well-established communities are supported by private endowment or subscription—as hospitals, refuges and the like—are in less well-established communities wholly or partially provided out of the tax revenue. There is a widespread illusion that the quickest and easiest, though in the long run it is the most expensive way, to have any improvement effected, is for the public authority to do it. This course appears to cost nobody anything.

The practice of drawing on the public authority for money and services, probably in the beginning necessary,