

A loan on vacant land then is a loan against *possible future needs* and clearly a speculative transaction. The only exception would be where the loan is made as a preliminary advance in connection with the erection of a building for which a demand exists. The mere erection of a building obviously will not give to land a value previously non-existent, since if the building does not rent, neither the building nor the land has value. If, however, the building rents for sufficient to earn average interest on the cost of land and building it proves that a demand existed for the use of the land.

While speculators in vacant land buy in and sell out at different levels, their profits or losses depending upon the relation of price fluctuations to carrying charges, it may be confidently stated that but little land when first built upon sells for more than enough to cover the taxes paid and interest on the taxes during the many years through which the land has been held unproductive, leaving nothing to cover the "intrinsic" value of the land itself.

Second, vacant land should be rejected because it has no income. When vacant land is loaned upon, interest and taxes must be paid but no earnings arise from which to pay them. The practical disadvantages of this in an individual case of foreclosure and enforced ownership are sufficiently obvious, but such an annual carrying charge in the case of a Mortgage Company guaranteeing many millions of dollars of mortgages on vacant land might, in the event of a financial or commercial depression, become exceedingly serious."

More and more does time prove that the Single Tax attitude toward land speculation is good morals, good philanthropy and good business. To anticipate the needs of a community and seek to satisfy them is praiseworthy, but to forestall those needs in order to take toll of public necessity is to deserve no consideration whatever.

The Shepherd of the Unemployed

WE salute Urbain Ledoux, of Boston, who has sprung in one day from obscurity to fame. He has accomplished the impossible. He has dramatized economics. He has put up for auction on Boston Common disemployed men, some of them ex-service men, and offered their labor for sale to the highest bidder. He got a column on the front page of the metropolitan dailies before the censorship got information as to what was happening. Our guess is that he will be ignored hard for the future, because such plain lessons as this are not particularly desired.

And yet this demonstration is a weapon which cuts both ways. If it evokes public sympathy on the one hand, it will probably make many men who are holding out for living wages hesitate on the other. These men, when rents are still rising and whose actual living expenses have fallen but little, do not see why they must cut down the price of their labor when everything else is up. We know

all that is said about the fall in wholesale prices, but retailers have been slow to reduce costs.

What Mr. Ledoux has done is merely to show in a concrete way what Single Taxers have been preaching to deaf ears for nearly fifty years, that, under land monopoly our individual system is even harder than chattel slavery. When slaves were bought and sold, the young and the aged were taken care of out of regard for human decency, but under our system labor is a commodity, whatever the courts may say, and it is bought without regard to the fate of the human machine that renders it. We had some hope that when labor's golden opportunity came during the war, leaders of enough intelligence would arise to understand how unsubstantial would be mere gains in wages and reduction of hours of labor, and that some attempt would be made to strengthen the worker's economic position. Any expectation which we may have cherished in that direction is gone, and the landless laborer stands helpless today before an embittered employer who is wrathful over the impudence of labor's demands when the laborer had the employer at a disadvantage, and the air is filled with threats to make the laborer understand where he "gets off."

A School for Social Research

THE new School for Social Research has been organized in this city. We have received what we may call its prospectus, with list of lectures and topics. The former begin October 10th. We note the names of Herbert J. Davenport, who deserves to be well regarded as a clear and original thinker along economic lines, Thorsten Verblen, who is usually interesting if rarely clear, and others. Mr. Verblen can never tell in simple English what he is driving at, though his satire has a literary quality which sets off his work from the duller pages of his more stupid contemporaries.

A phrase that arrests us is this:

"Political economy based upon the agricultural-handicraft life of the past, or framed in terms of Robinson Crusoe's isolated economy gives us no guidance for dealing with these situations." By "these situations" we understand the writer to mean, of course, the more complex conditions of modern industrial life.

Now let us see about this and if it is so or not. Robinson Crusoe was an isolated laborer on an island. Along came Friday. Now he was no longer isolated. The two were now a community. They exchanged services either as free men, or as slave and master, or as landlord and employe. Political economy, with all its implications, is now born. If there is a difference in the desirability of land, there arises the need of arrangements for its use and distribution; a Land Tenure is established. Then follows in the wake of this all the questions which we know under the terms Division of Labor, Production and Exchange, Co-operation, Wages, Capital, etc. They exist in the precise relation of the greater complexity of modern con-