

people from understanding those conclusions. That is our job—to expose the weakness in the opposition. Economic science is not a static body of knowledge. It is constantly growing and pointing the way to deeper implications, to a wider extension and application of the principles already known. What we should do is to use our knowledge as an attacking weapon by seeking the cause of popular ignorance, focalizing our attention on it as the weak spot in the opposition and hammering away at it until it breaks ground.

The basic error from which all others stem is the persistent confounding of money with wealth, and the Wage Fund Theory and Malthusian Doctrine owe their existence to this source. Therefore, contemplating the Georgeist philosophy in general and a revision of "Progress and Poverty" in particular, due consideration should be given to this angle of the question. Instead of losing their influence, these fallacious theories have actually been increasing their dominance over current thought.

Brooklyn, N. Y.

RAYMOND V. McNALLY.

THE INTEREST QUESTION AGAIN

EDITOR LAND AND FREEDOM:

In criticising the meaningless "Production for Use" slogan (Sept. 1917, p. 10) you say: "And capital would not work if it did not earn interest. Could it now?" May I submit this answer of a common capitalist for fair consideration?

The normally prosperous man will naturally save to provide against forced or desired retirement; and as unused wealth naturally depreciates or must carry care-taking costs, he will naturally put his wealth to use as capital on the best terms securable *even if* such terms should be reduced (as by wide-spread prosperity and resulting large supply) to mere risk-insured return without interest. Any assumption that he would not, or that he would stop saving, is against the dictates of common sense.

(He would in fact *have to save more* for his *personal insurance* purpose.) Of course, inert or senseless matter (wealth) can neither "work" or "earn," properly speaking; only *use* of it by human beings enabling earnings by them (wages). As to whether or not Nature's gifts (other than rent) create an "interest fund" which goes to mere owners, *another question*, answerable only by scientifically determined natural facts; but in any case such fund cannot be properly called earnings."

George himself never stood for his interest theory after "Progress and Poverty,"—and standing instead for free use of capital, and of individual earnings from such unmonopolized use, raises the real issue against Socialism without foolishly arousing antagonism and with sound appeal to users of capital.

Reading, Pa.

WALTER G. STEWART.

RENT AND PRICE

EDITOR LAND AND FREEDOM:

The price question seems to me not to have been clearly handled by any of your correspondents. Mr. Burke comes closest to hitting the nail on the head. He correctly states that price is nothing but value measured in terms of a common medium of exchange, but he seems to me to be in error when he says that land rent enters into price as much as the others who say that land rent does not enter into price.

From what I deduce of the factors in production and distribution, rent of land comes from wages and interest, viz., wages plus interest equals wealth minus rent. Therefore rent comes out of the wealth produced at the cost of the efforts of labor and capital. Rent has nothing to do with the price which is merely a common measure of exchange.

When labor and capital receive only a small part of the wealth produced they command the same small part in terms of exchange, or in money. The price or measure of exchange is not altered by the amount of wealth labor and capital receive or what part land gets. It is fixed by the relative demand and supply of goods and services in terms of the money medium. Therefore prices may be high or low irrespective of rent.

When rent of land is high, the share of capital and labor being less, they get less of the money medium in exchange, but that smaller share necessarily affects the price of articles or services which they buy.

New York City.

FRANK BERMAN.

RENT AND PRICE AGAIN

EDITOR LAND AND FREEDOM:

Rent paid must be produced. It is a part of production. It is paid for something received, otherwise it is inequitable. What does the payer of rent receive? The answer is, he gets the use of land, the sum of its advantages and public services rendered to that land to facilitate his production of private wealth.

Undoubtedly, that payment enters into operating cost. But the payment, being a purchase of facilities or economy of production, reduces relative costs. That being so, price, the measurement of exchange, would be lower than it would have been if rent had not been paid. Therefore rent paid enters into cost but reduces price.

Summit, N. J.

C. H. KENDAL.

NEWS NOTES AND PERSONALS

OUR attention has been called to page 412, article 3, of the New York Supplement to the Record of the Law Courts of New York State. The case in question in Monroe County Court concerned a certain book regarded as heretical in religious circles. A bequest was left for the publication and circulation of this book. Surrogate Feely allowed the bequest, and compared the case to one of many years ago when a sum of money was left by a New Jersey farmer to Henry George for the propagation of his ideas. Surrogate Feely said: "The genesis of this book resembles that of another self-educated carpenter (?), the one who wrote 'Progress and Poverty,' but this book will never come anywhere near the eminence of Henry George's masterpiece." This remark of the Surrogate had reference to an opinion by Chancellor Bird of New Jersey opposing the bequest to Henry George on the ground that George's theories were opposed to public policy. After considerable expense Henry George finally won the case and made over the estate, or what was left of it, to the widow. George then had to sue his former attorney for the money. The widow received seventy dollars total, and was later forced upon public charity. From time to time Mr. George sent her small sums of money. Some of our readers may remember the case and George's remark that Chancellor Bird was "an immortal ass."

ADMIRAL WILLIAM S. SIMS, war-time commander of the United States Naval forces, died in September of this year. He was for a number of years, while a resident of Newport, a subscriber to LAND AND FREEDOM. This distinguished naval officer was a free trader and presumably a Georgeist. He was seventy-seven.

THE Lethbridge, Alberta, *Herald* contains a report of a dinner given by Mr. and Mrs. J. B. Ellert of Milk River, to the students of the Henry George School in that enterprising town. Fred Pease who was converted to the doctrines of Henry George in 1891 while living in California, addressed the diners. Other speakers at the Ellert dinner were Rev. T. Taylor, Miss Betty Taylor, Mr. Heirath, and