

he economists begin to apply the spirit of scientific inquiry to the phenomena which are their especial province?

—JOSEPH DANA MILLER in *New York Times*.

## Land Readjustment Mexico's Real Problem

“WE are not in favor of indemnifying the landowners for the expropriation of their land. And we are not, because it does not appear to us that one section of society shall be sacrificed in order that the landowners may not lose money by what, according to the very terms of the Law itself, is only a restitution of property which belonged before to those who now demand it. On the other hand, the loss which the landowner experiences in the redistribution, in which he is deprived of a part of his property, does not ruin him, as, in the majority of cases, it leaves him enough to live with relative comfort. On the other hand, the indemnizations for land expropriation, when added all together, may sometimes represent for the people a tremendous burden and delay the economic rehabilitation of the nation.”

—MIGUEL SANCHEZ DE TAGLE, under the title of “The Agrarian Bonds,” in the newspaper *El Universal* of January 16, 1929.

In what appears to be an authoritative article, by Engineer F. Palomo Valencia, published in the March, 1929, issue of the *Revista Mexicana de Economis*, the ultimate total amount of expropriations anticipated and to be guaranteed by Agrarian Bonds is estimated to reach \$1,226,000,000.

It is a singular fact that, in the fundamental readjustment sought by the Mexican people in their relations with their national heritage, the land, it seems to have occurred to no one in the National administration that this readjustment might be achieved, simply and with perfect equity, by the instrument of Taxation,—an instrument already applied by national, state and municipal bodies to practically every object and activity within the Mexican border, except that of land, its ownership and use.

Why is this instrument, Taxation, overlooked in the settlement of the fundamental, social and economic problem? Every student of economics is acquainted with it. Why is it not faced frankly in the Mexican Economic Review, from which we have quoted? Is the intellectual courage of the professors not equal to that of the common people who, on both sides of the late civil war, showed themselves capable of any sacrifice?

THE land problem has underlain Mexico's troubles since prehistoric times, though its importance was never fully grasped by the chroniclers.

ERNEST GRUENING in the *Nation*

## The Riddle of Modern Society

CARL MARFELS

ADDRESS AT THE ENDINBURGH CONFERENCE

WHEREVER we may look among civilized countries we find the same paradoxical conditions; on the one hand highly-developed scientific and technical knowledge, which makes it possible to produce the necessities of life and luxuries in excess of the needs of humanity. On the other hand poverty among the great mass of the people which cries aloud to Heaven for redress. It is true that in the past there have been periods in which mankind suffered temporarily from want and privation, but it was then usually a case of bad harvests which, owing to the backward state of transport, could not be counteracted by importing supplies from lands with good harvests. Sometimes it was a case of objects in daily use not being manufactured on account of poorly developed mechanical knowledge. In other words: in earlier days mankind suffered want because enough could not be produced; today they suffer want whilst too much can be produced.

The most preposterous thing, however, is that widespread unemployment should obtain. Last winter the number of unemployed in Germany alone was not less than 2½ millions, without taking into account the large number of workers on short time. At the same time, poverty—that is to say, lack of the products of work—also prevails. In other words: there are millions of people who need housing accommodations and the necessities of life, whilst these same millions would willingly produce all such things, but find no opportunity to do so. Why cannot demand and supply be brought into touch with each other?

The answer to this question is of extraordinary urgency as the discontent among the masses in all civilized countries is assuming alarming proportions; and not only in the ranks of wage-workers, but also in the ranks of self-supporting manufacturers, tradesmen and merchants.

If one watches the efforts of statesmen to remedy these evils, one must be astonished at the absolutely useless measures and ineffective remedies proposed in order to combat the danger. It might well be understood that the two great problems of our day have not yet been solved, viz.: Why, notwithstanding the gigantic technical progress which has been made in the last hundred years, and despite the resultant increase in wealth-producing power, the wages of workers have not only not risen, but have, calculated on the basis of real comforts, even fallen; and how it happens that millions of men who are willing to work can find no work to do, when “work” means—apart from a few negligible exceptions—the production of food and the necessities of life? With such widespread poverty and misery a great task faces every sincere reformer.

With the exception of the English and Danish Parliaments, and the local councils in such countries as Australia,