almost at his own price. What curious perversion of reasoning it is that turns from the real enemy of labor to attack with angry epithet the machine which is its servant!

THE machine is not a Frankenstein that labor creates that it may be devoured. It is the hands and arms and visible brain of labor. It is not necessary for government to assume ownership and control to secure the widespread diffusion of its benefits. Under free conditions where gains from the machines are not absorbed by the insatiate growth of land values—economic rent—the tremendous increase in production calls for commensurate exchange of other products made by other machines, each in turn. How, Mr. Finger, can anything produced by labor, which can be multiplied infinitely, injure the interest of the producer? A machine, as has been said, is a labor product. How can a labor product hold a menace for the man who creates it?

WE fancy the reply will be that some machines require large sums of money to produce them, and that labor has at its command no such amounts of capital. If this is the thought, let the objector reflect on the natural law of cooperation. As labor is the producer of all capital —the wealth that is used in the making of more wealth— it is clear that with natural resources free to labor, machines would soon be generally owned, not under government supervision but under the operation of natural laws of production and distribution. It should be remembered that we are living today under artificial restrictions in which opportunities for employment are almost entirely restricted. It was assumed that Mr. Finger knew this.

WITH a Free Earth, with every restriction to the use of natural resources swept away, capital would soon change owners under the rapid differences that would appear. For those who under present conditions control the natural resources of the earth must control the capital. Capital not based upon earth ownership, or equivalent monopoly, is at a marked disadvantage. This is what deceives the Socialist. He is misled by appearances. He has forgotten his Karl Marx, who told us in his "Das Kapital" that the ownership of natural resources was at the basis of the exploitation of labor. His mistake is the same as that of Mr. Finger, who thinks, rather preposterously, that labor can fashion anything in the shape of a labor product for his own destruction.

THIS needs to be considered by Mr. Finger and those who think with him. Machinery and invention, even under present conditions, offer boundless opportunities for labor. But Rent, actual and anticipatory, moves fast, though not always fast enough to absorb all the gains of Wages and Interest to real capital. Usually a step in advance, Rent at other times may lag a little behind. If the gain from a machine is 3, rent quickly takes 2, and eventually the whole. Then follows the break in "effective demand," labor cannot buy back its product, and the machine, which is labor's hands and arms, stands idle along with the idle laborer. For a short time it seems to the superficial observer that the capital in control of the machine has profited inordinately, but a closer observation shows rent rising ever higher, absorbing the gains of capital and leaving to the "employer" of labor a lot of rusting iron!

THE *New York Times* is a staid newspaper, staid almost to the point of solemnity. Yet if one having no knowledge of fundamentals rushes in to discuss the prevailing depression and remedies therefor, he is almost bound to be funny in a solemn way. H. L. Puxley is one of its financial writers. He is not yet sufficiently well known to have his name go thundering down the ages, or even as far as the back street. But he has great resourcefulness that may yet win him fame. He suggests as a means of bettering conditions a national raffle in which every citizen is to be given a free ticket, and in which prizes to the amount of $250,000,000 in Federal Reserve notes would be issued to those holding the lucky numbers! And this is urged in all seriousness.

MR. PUXLEY makes other suggestions which he naively admits are "highly controversial" and require to be "argued out," but are here advanced for consideration rather than "dogmatic demands for action." For this we should be grateful. A Grand National Sweepstakes to End Depression would add to the joy of nations. A picture arises in our mind of Mr. Hoover blindfolded —for we would trust no less responsible an individual— drawing the winning tickets from their receptacle! Commenting once more on the rather original suggestion of Mr. Puxley, we want to instance it as one among the many examples of what we have termed "the breaking down of the contemporary mind."

SPEAKING of cures for the depression not long ago Rudy Vallee paid a visit to President Hoover. The President, probably remembering the old saying of some great man—was it Fletcher of Saltoun?—that "he cared not who made the laws of a country if he were permitted to write its songs," asked Rudy if he could write a song that would dispel the present depression. A friend of ours, having in mind the simplicity of Mr. Hoover's character, insists that our worthy President said this in seriousness. But we are skeptical.

WE are not convinced that the philosophy of Spinoza offers a complete explanation of the phenomena of being, but it is the nearest to perfection in its endeavor at answer ever attempted by the mind of man. Setting

side his system of pantheism (or perhaps even adopting part of that philosophy), his ethics is as lofty as that of ny teaching, past or present. It has been the impression f scholars that a certain affinity was not lacking between he teachings of Henry George and Spinoza, and if we onsider the ethical teaching of both we shall find that this indeed so. And there is also something in the characters f both men that suggests a moral likeness. "The very est man these modern times have seen," said a reviewer the early part of the last century, who was by no means disciple of the philosopher.

THIS allusion to Spinoza finds its suggestion in a magazine that has come to our desk, the title of which is *pinoza in America.* We quote a few significant paraaphs:

Today, everybody is talking about the depression in the world, t not everybody is interested in its underlying causes. To be terested in the causes means to study and understand human nature st. This standard will make it easier to view the economic-political oblems in a clear light. By understanding ourselves and other man beings, we shall be able to solve these difficult problems. Yes, t where can we learn what mutual understanding is? Do we not ed institutions for such a purpose? * * * We need schools where udents can be taught to think nobly. Noble thinking alone helps solve the individual, the national and the world problems in the ht of truth. * * *

For example, how can we solve the problem of distribution of goods thout having a true idea of goodness and cooperation in our minds? w can we cooperate without the ethical willingness to sacrifice for e sake of others? Would there be room for a depression in a country ich is governed by men with unselfish ends?

THERE follows a complaint that schools and colleges have failed us, that there is need of an institution to delop "*the art of thinking.*" And the disciples of Spinoza America have started just such an institution. We comend their action and wish them success. And we bring their attention the Henry George School of Social ience. The same animating motive is behind this hool that has led our friends to call for the establishment an institution to popularize and extend the teachings Spinoza. And we find, too, that the objects of both oups are in some degree curiously identical.

HENRY GEORGE was a strange and significant phenomenon in the midst of an age of acquisitiveness and aterialism. He sought and found fundamentalm orales as the basis of an economic philosophy, and nobody ho has read 'Progress and Poverty' is ever the same his thinking as he was before he saw those eloquent and pressive pages. Much that Mr. George taught has now come a part of the every-day philosophy of our political e, and much more will become a part of it. I do not, wever, believe there will be any sudden application of r. George's principles. Sound political development is matter of growth and not a matter of revolution, and en a fundamentally right economic doctrine, if it inlves a radical departure from accepted practices, has to be absorbed little by little to avoid consequences too severe to endure which would follow a nation-wide attempt to go back to the beginnings of things to correct an ancient error."

THE foregoing is from a possible candidate for the Presidency, a man of high ideals which have guided him in a distinguished public career. It calls for something more than casual comment, for it is unquestionably an animating conviction with many who seek political preferment and take counsel of caution in the path they are treading, holding their convictions, so to speak, in leash for fear of possible consequences to themselves. As this letter involves an attitude not uncommon among public men, we pause to examine all its implications.

INSTITUTIONS must be subjected continuously to the test of service. Are they outgrown? It is not enough that they may have served past needs. Institutions must be changed as life itself changes. When institutions are outgrown and live only by the strength given them through tradition they are obstacles on the way to progress. The essential demands of an advancing civilization call for their modification or destruction. Answering perhaps the needs of former life on this earth, they have ceased to respond to present needs.

NOW whether this destruction or modification shall be effected immediately or not depends upon a variety of circumstances. The easiest way to get rid of them may be by one blow. Or it may be more completely eliminated by gradual processes of modification. As to the shock following upon its instant rectification we are not greatly concerned. For we are impelled to ask, What of the shock to ten millions of our people in the loss of employment, the failures and bankruptcies of business concerns, and the crashing of nine thousand banks in nine years? If such shocks can be avoided, as we know they can be, we may regard with small apprehension the shock that will follow the immediate setting of the house in order, even if some of the old furniture is lost.

WITH civilization on the verge of collapse it is idle for us to voice counsels of caution. The writer of the foregoing quoted paragraph knows full well what Henry George's remedy will do to make forever impossible the terrible times through which we are passing. Yet he fears the shock that will follow any immediate attempt to rectify a great wrong, to restore the natural order, to free natural resources. This would be a "shock," it is true, some disarrangement at first, some losses, and some difficulties in the reorganization of the new society. But it would be worth the price. Maybe even the difficulties of the shock can be avoided. It is no real service that any reformer renders to a great cause by emphasizing