

there any reasonable hope that officials will remain honest? Human nature has its limitations. Its power of resistance is not boundless, especially at a time like this, when money can purchase more luxuries than at any other time in the world's history.

Teapot Dome is not by any means the greatest steal in American history but it happens to have been exposed at the psychological moment when the issue of a national election is in the balance. The sad thing about the incident is that public indignation is aroused over the charges of personal corruption which is the minor matter, and not excited at all about the expropriation of the public property for private exploitation, which is the major thing. Suppose all the participants in alienating the oil deposits had been models of fastidious official conduct, it would still be true that the public domain would have been looted. Indeed Fall in becoming the sacrificial scapegoat, driven into the wilderness by associates, whose chief regret is that they did not have his opportunity, may be rendering a great public service by calling attention to an evil practice, which must be stopped if all government is not to sink under the crushing load of public contempt.

The effect of the revelations has been to shake popular confidence in government in places which have been immune from suspicion in the past. If we would save it, we must adopt a system which will compel all holders of natural resources to pay to the people the full annual value of their holdings after deducting costs of production and a fair return on the capital invested. The report is in circulation that hereafter no man not committed to the so-called conservation policy will ever again be made Secretary of the Interior. But this suggestion really means nothing at all. The people are entitled to use and enjoy the natural resources of the United States, and those who wish to develop them with due economy have a right to protest against obstruction, provided of course that they pay the annual rent of the special privileges which they enjoy.

One other consideration arises out of these revelations. Can great fortunes and democracy coexist? Public opinion is betraying that cowardice which is the earmark of the employe's mind. The public press under the same influence is falling into fewer and fewer hands so that expression of opinion hostile to the great industrial interests is stifled, if not totally suppressed. Even as conservative an economist as Professor Taussig concedes that the main source of the great fortunes of the United States is the private appropriation of ground rent. With a mole-like blindness public sentiment is seeking a remedy for the evil by means of crushing income and inheritance taxes, not realizing that the true cure lies in the prevention of excessive accumulation and not in taxing it after it has grown to such proportions and power as embolden its holders to challenge the power of the Republic to regulate them.

The Communism of Privilege

The Political Economist, official organ of the American Protective Tariff League, is much disturbed because THE REVIEW asserted in a recent issue that the farmers are robbed by the high protective tariff, and devotes two columns of its valuable space to a recital of all the alleged benefits conferred on the farmers by oppressive taxes that greatly increase the prices of practically everything they buy. The source of this criticism does not justify an extended reply, and, indeed, no reply is necessary. The simple facts are that so-called "Protection" is essentially a Communistic scheme for taking the property of the great mass of American people and giving it to a few rich owners of protected industries. Between the Red Communism of the Third International, and the black Communism of the tariff, there is little choice. One robs the rich to give to the poor. The other robs the poor to give to the rich. Protection violates the fundamental principles of American liberty, justice and equal rights, just as the rights of the Russian people were violated by the Soviet Republic.

If Stanwood S. Menken, James M. Beck, Attorney-General Dougherty, Ralph M. Easley and other alarmists over the dangers of Red propaganda, want to catch enemies of America institutions, let them get after the men who are stealing billions of dollars annually with the aid of our tariff laws. To take money from the farmers and workers and put it in the pockets of protected manufacturers, is robbery, though done under the forms of law. Editor Wakeman of the *Economist* may, if he chooses, do some more talking for his meal-ticket to explain why it is all wrong to take the rich man's wealth and give it to the poor, but all right to take the poor man's scanty savings and give them to the rich.

Mr. Smith Moves

MR. SMITH—Milton H. Smith—is closing his men's furnishings shop on Upper Broadway, New York City. He has been on that same corner for a dozen years or more; has worked hard and built up a good business, but now he has to leave. When he opened his shop there were not so many people living in his neighborhood as there are now, so he paid a rent of only \$2,500 a year. Gradually new big apartments went up all around; other shops were opened nearby, but Mr. Smith's careful attention to his customers' needs kept old patrons and brought new ones. As business increased so did rent. Up to \$3000, \$4000, \$4,500, \$5,000 it climbed, and Mr. Smith worked harder and managed, just managed, to pay the increase. Now the shop owner wants \$7,500 a year, and Mr. Smith gives up the struggle. He is through. Try as he may, he can't keep up with his landlord's demands for more money. He is thinking over what it was that the landlord did to make that store worth such a great increase in rent, but hasn't yet found the answer.