

representative government were to prevail; where men might exercise their "unalienable right to life, liberty and the pursuit of happiness," the human spirit was to be released, to give expression to its best and noblest self. In such an atmosphere the creative impulse would flower as never before. Mr. Mills fails to note that men could give expression to their full creative capacities only so long as land was free. When the last frontier had been conquered and land rent came into existence, economic freedom was at an end. When the *many* were compelled to pay the *few* for *mere permission to live and work* on our earth "equality of opportunity for all" was forever gone.

Mr. Mills fails to observe that it is this unjust system of land tenure which causes all our difficulties. Not once does it receive his recognition or condemnation.

We wonder if it is because he is a beneficiary?

His insistence on individualism as opposed to paternalism would be more convincing did he understand the distinction between what truly constitutes individual property rights and socially created community values, and did he espouse the Georgian philosophy which is the only philosophy which perceives these distinctions.

Certainly Socialism, Communism, and Fascism do not. The danger to Mr. Mills, and his class, is that any rights they have may be swept away by the blind fury of the American people if they should embrace any of these crazy philosophies.

Among the causes of low prices of agricultural products, Mr. Mills mentions "excess of production" (Page 74). Is he familiar with Prof. Kemper Simpson's "Introduction to World Economics" which shows that in 1929 we produced only one overcoat per man in five years, one ready made suit per man in two years, one sleeping garment per man in two years, and three shirts per man in a year. The total production of woman's clothing per woman in 1929 was valued at only \$22.12! In the same year only three handkerchiefs per person were manufactured; only \$6.36 worth of soap per family; only \$.19 worth of tooth brushes. Even our production of food has never been adequate to meet our needs. We find deficiencies of three and one half billion gallons of milk, three quarter billion pounds of butter, one and three quarter billion pounds of citrus fruits, twenty billion pounds of other food and vegetables, and nine hundred million pounds of beef. (Page 16).

Mr. Mills advocates "creation of work" and "assistance to special classes of debtors such as home owners and farmers temporarily incapable of meeting obligations because of extraordinary conditions." (Pages 74-75).

That human beings possessing their natural, God-given rights to their earth need no such stimulants; that such palliations are contrary to the American principle of freedom and individual initiative; that all we need is to establish an economic order of true equality, Mr. Mills nowhere makes clear.

Although well written, and properly condemnatory of the Roosevelt policies, Mr. Mills' book must be dismissed as futile because of his failure to place his finger on the true cause of our ills.—B. W. B.

### IN THE SHADOW OF GOLD

Paul Studer. 232 pages. Greenberg, Publishers, N. Y. City.

Primarily a novel written in exotic style as propaganda to advance the theory that gold is the fundamental cause of all economic disturbance and that we are all "slaves of a bad monetary system." The author's programme calls for the abolition of gold or of any metallic base of money, also of all bank notes and to do away with all elements of money which "enslave the people." He advocates commodity money whose value will always be the same (page 216) and calls this "fair, sound, honest money."

We quote in substance some of the ideas outlined: "The most conspicuous characteristics of depression is scarcity of money." This is a rather curious point of view as regards the present depression with interest rates at one per cent and banks loaded with money to lend. The author notes the destruction of bill currency and observes

the more money destroyed the more valuable the remaining supply grows. So, as a result, there is less money to purchase goods and a lessening of demand causes wholesale destruction of things money would buy such as crops, pigs, coffee, etc., these items now being "worthless." He apparently believes there is such a thing as general overproduction and has some leanings toward the Malthusian theory.

In order to counteract the control of money by those he calls the "money magnates," plants are created which are able to turn out perfect counterfeit money and as the money magnates attempt to depress the market by selling stocks an unlimited supply of money constantly absorbs the offerings. This confounds the magnates and leads to the discovery of the counterfeiting and the principals are tried and found guilty. Nevertheless, a long explanation is allowed before the court and transmitted by radio to all the world, showing the counterfeiters to be public benefactors, e.g., the power of money has been broken and people may now live a contented life with less exertion because the great hindrance to human development has been removed.

Just how so-called "money magnates" change their ways so suddenly is not considered. Getting rid of stocks at falling prices accompanied by an increasing purchasing power is not phenomenal. Who gets the tangibles and who keeps the paper is also not outlined. The billions in bill money received in exchange for the world-wide lightening transactions in stocks, presents a picture which would delight transportation and warehouse interests.

The whole argument is that supply and tangibles are one and money only is demand. The idea that production of one form of wealth is the demand for other wealth is not in the book nor does it occur to the author that money is not wealth at all. Also he fails to understand that if money as a medium of exchange does not represent wealth produced it is worthless and no one would exchange anything of value for it.

Shades of paper marks, the same old gods with the old faces altered slightly. The golden eagle gives way to the blue and now a new emblem may be in sight and a counterfeit billion dollars by a government printing press may yet buy a hamless sandwich and a glass of near beer.

We have other books on this order on our shelves which explain human fallacies and enable us to understand why some clerics, some senators and others may count on a sure following of the "lunatic fringe."—C. H. K.

### THE MEANING OF MONEY

E. C. Riegel, President Consumer's Guild of America. Publisher, Empire Books, N. Y. Price \$2.00.

In this book Mr. Riegel has contributed a distinct service to the gaiety of economics.

Briefly Prof. Irving Fisher of Yale indicated in a public address that most persons who undertake to discuss money do not understand the subject and that those "who understand the real meaning of money" are few in number.

Mr. Riegel thereupon writes Prof. Fisher inviting him to name a few. In reply Prof. Fisher named ten, generously excluding himself, as not an exclusive list of persons who "understand the meaning of money."

Mr. Riegel then offered a questionnaire to the ten persons named, adding Prof. Fisher to the list. Several economists and one banker responded to the nine questions and sub-questions. Mr. Riegel here offers a symposium outlining all answers to each question and himself reviewing and commenting on the replies. At the close Mr. Riegel gives a general review of the symposium.

The questions are well put and thoughtful and in line with current inquiry. The replies are revelations in the fact that hardly any two agree on any question adds to the educational value of the book. The book merits a study by those interested in reading it carefully

and even though in disagreement, each reply gives a very interesting view-point.

In friendly criticism we would add our own point of view regarding money: Money itself is not wealth. When money is issued against metal that metal, as a labor product, is wealth. Other money if unsecured, is credit money, but it must represent wealth produced or land value and must be backed by the government taxing power.

C. H. K.

## PAMPHLETS RECEIVED

### E. J. CRAIGIE DOES A FINE PIECE OF WORK

"A Study in Central Melbourne Land Values" is a pamphlet of thirty-six pages and cover prepared by E. J. Craigie, M. P. We become acquainted with the pioneers of Melbourne, named in honor of Lord Melbourne; its first established government in 1837; and the sale of the land by the government for £6,916 now worth (unimproved value) £23,000,000.

We learn of many instances which illustrate the growth of land values and the great fortunes that fell to many of the lucky gamblers. Thus a Mr. Browne bought one of the allotments. Thinking he had made an unprofitable purchase he sold it to the Wesleyans for a chapel site. In the course of time the Wesleyans sold it for one thousand times the amount paid by Mr. Browne.

This is only one of the cases of unearned wealth cited in this amazing little work. Mr. Craigie tells us that land that was sold for from £30 to £40 per half acre is now worth approximately £2,000 per foot. And of course, and as a consequence, there are great numbers of unemployed in Melbourne.

The title deeds drawn up by John Batman with three of the aborigines in 1835 reveal that Melbourne was sold for twenty blankets and twelve tomahawks. The curious title deeds confirming the transactions are under glass at the Melbourne Public Library. It is some satisfaction to record that the Home Government annulled the whole transaction.

Mr. Craigie has done a neat piece of work in gathering this material into pamphlet form. His comments are always arresting, as for example:

"It is a well provisioned ship, this on which we sail through space. If the bread and beef above decks grow scarce we but open a hatch and there is a new supply of which before we never dreamed. And very great command over the services of others comes to those who as the hatches are opened are permitted to say, This is mine."

J. D. M.

### FRANK STEPHENS IN A NEW GUISE

"Grub's Corner or the Dutch on the Delaware" is an operetta by Frank Stephens, the musical score of which is by Estelle Hillersohn from the operettas of Gilbert and Sullivan.

The prologue is written by Frank Stephens in a happy vein. He tells us that "Of course he could have written the music as well as the words but like most of our fellow citizens we were in too much of a hurry to make anything fresh when we could pick them up already canned."

He tells us in this prologue: "It brings together historic personages who never met, in places where they never were and at times when they were not alive. It includes in one day's action events which befell nigh a century apart."

Nevertheless, it typifies real historic happenings and teaches a useful lesson in land grabbing, its phases and consequences, and the actual bases of many of our land titles, that will not be lost upon the reader. William Penn, Lord Baltimore and Pocahontas are personages who appear in this delightful fantasy.

The arrangement and versification are admirable. The latter has a rhythmic movement and quality not unworthy of Gilbert himself.

It seems to us that it would form a delightful entertainment at Single Tax gatherings for the benefit of strangers on whom its phi-

losophy is not likely to fall unheeded. It has been presented at Arden with good success. You will like it. A very clever piece of work.

J. D. M.

## Correspondence

### WHERE THEY ARE DOING THINGS— NOT MERELY TALKING

EDITOR LAND AND FREEDOM:

We have carried on a very active campaign here this winter and are having wonderful success in arousing interest. We are putting up a member of the group on a straight Single Tax ticket. We have mixed with the other parties in the past and got nowhere. We are now opposing them and right here in this neck of the woods we are quite a factor.

We have little hope of winning the seat at Edmonton for which we are contending, but the present time is wonderful for educational purposes. We get very fair treatment from the newspapers and the public and they seem very anxious to hear our message.

Milk River, Alberta.

FRED PEASE.

### MR. NEWTON D. BAKER IS WRONG

EDITOR LAND AND FREEDOM:

Referring to the letter signed Robert S. Doubleday, page 69, March-April, 1935, LAND AND FREEDOM, I quote the last paragraph:

"Newton D. Baker tells me the administration cannot constitutionally do anything that he knows of looking toward the collection of economic rent."

In this connection I quote from a pamphlet published by Tecumseh Hall, Realty Building, Youngstown, O., last page:

"But legal and constitutional restrictions make this plan impossible!"

Just the opposite is true as is shown by two facts which every lawyer knows: (1) Blackstone wrote, ". . . there is no foundation in law why a set of words on parchment would convey dominion of land;" and (2) the dictum of our United States Supreme Court which paves the way for us in a decision written by Justice Freestone Miller, which includes this plain statement, "The reserved right of the people to take the full annual value of the land must be considered a condition to every deed."

The above mentioned pamphlet is "We Accept the Challenge," an open letter to Mr. Farley, by Peter Longbottom. Price 10 cents. Melrose, Mass.

A. RUST.

### A LETTER OF REAL CLARITY

EDITOR LAND AND FREEDOM:

In your March-April, 1935, issue, C. H. Nightingale of New Zealand spends two columns showing that under free conditions our old friend "Interest" must "die a natural death." Then in six lines he tersely states the economic truth about interest:

"This is not to say that interest, in the sense of the added production which the use of capital gives, would be eliminated, but merely that the added production would go to labor as wages, instead of to idlers as interest. Interest in its economic sense must persist and grow with the advance of science, invention, organization, etc., that is not in question; . . ."

And this is a definition of economic interest, which is the only kind of interest there is. It is a subdivision of wages in the broad sense.<sup>1</sup> Capital can be used only by being consumed.<sup>2</sup> Its use is but a mode of labor.<sup>3</sup> The rate of interest is determined by the proportion or ratio between the amount of labor spent in making a tool and the amount of labor spent in using up the tool in production. The same rate of wages must apply to both. If wages rise, interest will rise. If wages fall, interest will fall in proportion.<sup>4</sup> Borrowing has no