

neither one nor the other, and I for one am convinced that a nation cannot exist without recognizing some authority.

"The proper authority, or government, is possible only when you have union and co-operation, moral or religious, the word does not matter. But who shall give us this?—the Anarchists, the Socialists? Their negative criticism may be just, but what they intend to put in place of what they endeavor to tear down is miserable and not founded on reason and justice. The eight-hour day, for instance. What if it suits me to work fifteen hours to-day and one hour to-morrow?

"But why worry about the future? Let us let the future take care of itself and only look at the present.

"Two measures are necessary to the happiness of Russia—all land must be given to the peasants who work it, and we must have the Single Tax as advocated by Henry George, one of the greatest men that ever lived.

"Then the whole labor question will be solved. The young country people will then no longer leave the fields, where life is natural, simple and healthy, to go to work in the miserable, joyless factories.

"Civilization, or rather what we call civilization, will not suffer when people shall at last come to see that nine-tenths of what is manufactured is worthless.

"These are foolish, Utopian thoughts, I am told. Yes, in England perhaps, where only one man in a hundred is a peasant, these thoughts can be realized.

"Let us make our revolution as it suits us. Your foreign cooking recipes do not teach me one penny's worth—I am a Russian and I want Russian dishes."

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WHERE'D JIM HILL GET IT?

From the *St. Louis Mirror* of October 25, 1906.

What is believed to be the largest transaction in the history of this country was the sale of approximately 750,000,000 tons of iron ore on October 6 to the United States Steel Corporation by President Hill of the Great Northern Railroad Company. It was said that the deal was accomplished by five men in two hours' time at the New York office of the Steel Trust. This is interesting. Who gave Jim Hill his title to that iron ore? What right had he to that wealth of the earth?

Does it actually belong to anyone—this wealth—until some one by labor has dug it out for the use of mankind? Does it not actually belong to all the people? Should not all the people have the benefit of that natural wealth in the land? Should not the value of it be taxed into the public treasury as the value of a natural resource, leaving to whomsoever might develop the field all the profit that might hereafter accrue from the working? Who made this wealth? Not Jim Hill. Did he buy it? No: he bought only the right to keep it out of the possession of others until such time as increased demand for such wealth might enhance the value of the product. And now he turns it over to the United States Steel Corporation in order that that corporation may keep the field out of occupancy and productivity lest its output under the working of others should prevent

that corporation from keeping up the profits on the restricted output of the other iron fields under their control.

If this vast field were taxed to its full value, not only as mere land but as land covering and containing iron ore, think you that it could be held out of use at any profit? Not at all. Either the field would be worked by others or the occupants of other fields would reduce their prices on the product of those other fields. If a tax on the value of the iron lands were levied heavy enough to make it necessary either to work the fields or quit holding them, wouldn't there be 750,000,000 tons of free iron ore threatening the profits of the existing and now worked fields? There would. Would not that materially weaken the Steel Trust? You bet it would. That ore value belongs to the people so far as it is ore land. All values coming to those who might bring it into the service of the public would rightly belong to such servitors of the public. But as it is, the value goes to enhance the value of other iron fields, simply by keeping this field out of use. This iron is used by non-use to put up the price of other iron and steel. The public's property is used as an engine to plunder the public by means of high prices.

This tremendous transaction is a beautiful example of the evil that is wrought by our failure to get, by taxation of land values, the benefit for the public of the values of the public's own possessions. The forestallers of the land and the engrossers thereby of the land products are the vampires draining the body politic of its public wealth. Why not drive these vampires away by a trial of the Single Tax?

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LAND BOOMS AND REACTION.

An Editorial from the *Springfield (Mass.) Weekly Republican* of October 11, 1906.

The conclusion is reached by the *New York Journal of Commerce*, after talks with real estate men and bankers, that the land boom which extends over the country is the wildest ever known, not excepting even the craze of 1873. This has an important bearing upon the question of our general and extraordinary business prosperity and its duration: for it is well known that land speculation usually marks the culminating point of boom periods. Henry George, indeed, held the view that land booms are the cause of panics and succeeding depression, and presented it with impressive force and argument.

The speculation in land about Greater New York has been of especially marked intensity—the initial causes being the rapid growth of the city, the great immigration, the overflow of population into suburban districts and the tunneling projects of the Pennsylvania railroad. It has been most overdone on Long Island and in the districts north of the Harlem river. Unimproved land on Long Island, for example, has trebled in price within a few months. Millions of dollars have been withdrawn from savings banks by poor people to invest in lots which in most cases must be carried for years before they can be turned to productive account. In the month of July alone \$2,000,000 was taken from the Bowery savings bank for this use. The upshot of the matter for most of these people will be the loss of the property through mortgage foreclosure or sacrifice

sale on account of inability to carry the burden. Meantime there is involved a great lockup of funds in non-productive investment, which largely explains the disastrous effects of land speculation upon industrial prosperity.

Some of the savings bank men talk very plainly about the situation. Thus J. Harsen Rhoades of the Greenwich bank says:

It is to be as it always has been—history will repeat itself. Land is the last thing to rise and the last thing to fall. It has risen and it will remain in a semi-dormant state, except at a few special points of business activity, until the day of liquidation arrives, which is sure to come when the conditions are ripe for it. We have been blessed with enormous crops. The country has undoubtedly grown very rich—very rich—and as long as those conditions exist and business keeps good, the masses will be employed. But when the time comes that they will not be employed, when they are paying high rents and not able to get high wages, then we will see a good deal of suffering. The first poor crop season will bring it about. After this phenomenal cycle of prosperity the reaction will be very severe.

It may be questioned whether a recurrence of poor crops will be needed to bring about reaction. When credit becomes over-extended, when people and corporations run heavily into debt, when capital becomes unduly committed to non-productive investments at highly inflated values, it does not necessarily require poor crops to start a break. Banking or other failures of magnitude enough to shake general confidence in the situation, and thus start a panic, can grow out of the collapse of a real estate or other speculation, and the losses of many poor investors, as well as out of bad crops. And it is noteworthy in this connection that the panic of 1873 came on the heels of bounteous harvests, the wheat production being a record-breaker and the corn production nearly so, following a heavy yield in 1872.

The encouraging fact about this land speculation around New York is that it has already spent its force. The tight money market is what called a halt, and banks as well are becoming alarmed and refusing to lend money to finance new suburban schemes. It is a tardy check to a dangerous tendency.

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THE RESUSCITATION OF OUR WATERWAYS.

Portions of an Article by Richard Lloyd Jones, Published in Collier's for August 18, 1906.

During the past four years engineers have been busily engaged measuring widths, depths, charting, changing channels, calculating the resisting force of shale-rocked and soft-loam banks along the upper Mississippi, and they have found that the judicious expenditure of the cost of but three battleships will wing-dam a channel adequate to accommodate heavy freighting from St. Paul to New Orleans. The very dams that make this unlocked channel possible arrest sufficient water to give milling power to a hundred manufacturing cities each of upward of a hundred thousand people along the way. . . . Between the broad current of the Saskatchewan and the headwaters of the Mississippi lies the richest wheat belt in the world. It would cost infinitely less than the amount Congress proposes to expend on Panama to

gridiron this great productive country, both in Canada and the States, with a Mars-like system of navigable inland waterways, binding the Great Lakes to Hudson Bay, and the Saskatchewan to the Missouri, by which, irrespective of flag, the treasures of a continent would find release and the interests of a homogeneous people would receive their due promotion. .

Referring to the influence upon railroad rates, which such waterways are destined to have, Governor Cummins of Iowa said: "When every man who can summon enough capital to build a boat may become one of the common carriers of the country; when it is full from end to end and from shore to shore with our commerce, crossing, as it does, every important Western railway system, and cutting these great arteries that pass from east to west, and paralleling those from north to south, I believe the solution of traffic adjustment will be vastly easier than now."

Ex-Governor Van Sant of Minnesota has said: "I can see this river in the future laden with commerce—the greatest waterway in the known world. Why? Because it is the people's; its right of way belongs to them, and it's going to govern the commerce of our country."

But! to all this propaganda for river resuscitation the railroads enter a strong fighting legislative demur. The slogan of the Ohio River Improvement Association, "Dam the Ohio river from Pittsburg to Cairo," is spoken with a profane, rather than a patriotic, accent when uttered by railroad tongues. The railroads that are stocked and bonded three, four, and sometimes five times their cost must, of course, make the people pay tribute, in order that there may be dividends and interest returns upon their watered stock. What the people of the river States propose to do is to throw this water into the rivers where it belongs. . . .

Our statesmen are schooled in the thoughts of war. It is quite as essential that we prepare for peace. With a population only twenty times as great as during our Revolutionary War, when our independence was seriously endangered, we are now spending two hundred times as much on national defense, with no possible danger of war except as we may invite it through conquest.

Canada, with no army or navy, is spending her energies in building up a great agricultural empire and alluring Americans by the hundred thousands to her hospitable fields, while we build battleships and buy gold braid for shoulder decorations, neglecting the while the improvement of those things which might make every Canadian immigrant delighted to stay at home.

For the money we have spent on the Philippines we could have built for the farmers a splendid system of good roads—we could have completed two ship canals across Panama, or we could have channeled the Mississippi river so deep that every city on its banks, from St. Paul to New Orleans, could be a seaport town. But in lieu of any one of these stupendous home advantages, we bartered our booty for an archipelago of trouble on the plea that it was a higher duty to promote the interests of a semi-savage people seven thousand miles from our nearest shore than to enhance our own prosperity and the happiness of our homes.