

turn match or two to Mr. Lawson's discomfiture. If this possible obstacle be overcome, at least one other will have to be met. When the stocks and bonds have been taken up at real values, after the collapse of the System, the new owners will forthwith water them on their own account unless Mr. Lawson has some method, as yet undiscovered, of coaxing them to reduce excessive freight rates, etc., down to the level of stock values, instead of inflating stock values up to the level of excessive freight rates. And if such a method is to be disclosed, nevertheless the real value of the stocks of railroads, gas companies, mines, etc., is not measured merely by the service the owners perform; it is measured by the tribute-levying power of their monopoly franchise or deed. Consequently, no matter how stocks and stock values may be arbitrarily regulated, the annual value of the monopoly franchise or deed will be annually extorted from somebody's earnings for somebody else's benefit. In that case Mr. Lawson's remedy would not, as he promises, "benefit all alike, the farmer, the laborer, the producer and consumer first and the honest possessor of capital second." But, as he promises that his remedy really will do this, and that "no man can misuse it or turn it into an instrument for his personal benefit," common fairness demands that full judgment upon the remedy be withheld until it is fully disclosed.

A premonition of industrial depression.

There are signs of a condition which may overwhelm the "frenzied finance" System in general disaster without the aid of Mr. Lawson's plan for cutting the foundation from under it. These signs are significant of one of those great booms which, rounding out an era of so-called prosperity and culminating in general collapse, have periodically preceded an era of hard times. According to an observant Kansas City correspondent of the New York Evening

Post, business men of the middle West are asking whether one of these booms is upon them, and asking it oftener than any other question. This boom is especially affecting farming lands, and it reaches out to the very foothills of the Rockies. In central Kansas, central Nebraska, and the eastern Dakotas, where farming land is well improved and notoriously productive, prices have for three years increased in value 20 per cent. a year. But, says the correspondent, this is not a circumstance to the movement of lands in the semi-arid region, where thousands of speculators are trying to make fortunes out of the prairies, and the towns are filled with land-seekers and land sellers. Quarter sections here that sold for \$300 three years ago, now bring \$1,000; and even at this price they are bought for a rise. With still greater significance, this land boom is accompanied by a bank boom, as in the ante-panic period of the 30's of which Shepard tells in his *Martin Van Puren*. Quoting a banker, the Kansas correspondent writes:

Everybody seems to have the idea that fortunes are to be made in banking. The fact is that no one has grown rich in the middle West out of banking alone. There are rich bankers, but they have made it out of speculation of one sort or another. Banking itself returns only moderate salaries and dividends, when all expenses and so forth, are charged off. Yet new banks by the score are being started. Every town of 1,000 people has, perhaps, two; scores of towns with only 300 people have a bank. Farmers think it gives them prestige to be bankers. On capital of \$10,000, deposits and loans of \$75,000 to \$150,000 are carried. What will happen when there comes a need for money? How long will it take to wipe out the bank?

All this means financial disaster. It is the distinguishing symptom. Our periods of prosperity have always culminated in the crash of just such booms. They always seem to be localized, as in this case; but in fact they are general. Corresponding symptoms may be seen elsewhere by those who look intelligently. The high-priced building lot in the choice places of flourishing

villages, towns and cities, the high-priced farming land where farming flourishes, and the high-priced lots in urban additions—all these plainly point to speculation in land and to a tendency in prices so high that profitable utilization of land cannot stand the strain. But the same forces are at work where the symptoms are more distinctly speculation in prices of stocks instead of land; for the basic stocks represent landed investments of some sort—railway or other franchises, and mining rights or "industrials" heavily charged with monopoly privileges. Even speculative banking is, as the correspondent already quoted suggests, much more closely related to land speculation than is usually supposed. In some circumstances, all signs fail; but if any dependence at all is to be placed upon signs of industrial change, a financial tornado is gathering its forces of destruction.

A corporation lawyer on the Jersey bench.

There is nothing extraordinary in the accession of a corporation lawyer to the judicial bench in New Jersey. That State has lately come to be ruled by corporations, both off and on the bench; and it is almost a recognized function of corporation lawyers there, after learning in their practice what the corporations want, to go upon the bench and give it to them. Probably New Jersey does not completely monopolize this custom. But while there is nothing remarkable in the accession of a corporation lawyer to the bench in New Jersey, there is something remarkable and at the same time gratifying in the accession of such a corporation lawyer as James B. Dill, who has just abandoned an enormously profitable practice to accept a poorly-paid judgeship. One important consideration is the fact that Mr. Dill, although a corporation lawyer, has not been a corporation man. His abilities as a lawyer have been great enough to enable him to be professional and dictate to corporations, instead of being