nominal wealth thus destroyed was but a capitalization of the value of the power to appropriate the earnings of their laborers which unjust laws had given the slaveholders, and careful investigation will doubtless show that the larger proportion of the nominal wealth of this country at the present time is likewise but a capitalization of the power to appropriate the earnings of labor conferred by laws granting special privilege.

This is exactly true, and it is one of the most important truths that affect economic conclusions. To ignore it, as most statisticians do, is an error akin to the bookkeeping error of entering debit and credit items in the same column. Every $1,000 worth of produced wealth means not only that the owner is that much richer than if this wealth were destroyed, but that the aggregate of wealth is that much greater. But $1,000 worth of franchises, slaves, building sites, farm sites or mineral deposits implies no difference in the aggregate of wealth. It does, indeed, mean that the owner is worth $1,000; but so far from meaning that there is such an item in the aggregate of wealth, it only means that the earnings of those who do not own these privileges are appropriated by such of their fellow men as do own them.

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Agricultural Prosperity.

From a recent report of the Department of Agriculture, it appears that a great increase in farm values has taken place within the last five years—from 1900 to 1905. In the aggregate these values are reported to have increased from $16,614,647,491 to $22,745,420,567—an increase of $6,130,773,076. How much of this increase is due to improvements made upon the farm sites, and how much to increase in the value of the sites themselves, is a consideration in which the department does not appear to have been interested; yet it is vital, if the statistics of agricultural values are to be of much use. For the difference between aggregate improvement values and aggregate site values is antipodal. An increase in the aggregate of improvement values implies an increase in the supply of improvements, and consequently a greater volume of produced and consumable wealth. But an increase in the aggregate of site values implies scarcity of a monopolized natural opportunity for producing wealth.

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For illustration: Here are two farms, worth let us say $2,000 each or $4,000 in all; and of that aggregate value, let us suppose that the improvements on each are worth $1,500 and the sites of each $500,—an aggregate of $3,000 in improvement values and $1,000 in site values. Now, let the owner of one farm, an industrious and thrifty man, add $1,000 to his improvements, while the owner of the other, a lazy and thriftless man, makes no improvements. Then we shall have one farm worth $3,000 ($2,500 for improvements and $500 for site) and another worth $2,000 ($1,500 for improvements and $500 for site), an aggregate of all values for both farms of $5,000. Here is an actual increase in wealth of $1,000. But suppose that meanwhile the demand for farm sites has become so pressing as to double the values of the sites of both farms.. Then we should have one farm worth $2,500 for improvements and $1,000 for site, and another worth $1,500 for improvements and $1,000 for site—an aggregate of all values for both farms of $6,000. In that case, the Department of Agriculture would report as to these two farms an aggregate increase in value of $2,000—from $4,000 to $6,000. But there is in fact only $1,000 more of produced and consumable wealth. The other $1,000 merely represents the increased price that these two farm owners can exact, not for anything they have done to the sites, but merely for the sites themselves as nature made and placed them. The first $1,000 of the increase is earned; the owner gets it, but nobody else loses it. But the second $1,000 of the increase is not earned; the owner may get it, but somebody else must lose it. The first thousand is the price for labor done; the second is the value of a power of extortion from labor to be done. The first implies a prosperity that is good for farm owners, farm hands and farm tenants; the second implies a prosperity that is good for farm owners alone. It is burdensome to farm hands because it tends to lessen the demand for their work, and to farm tenants because it tends to increase their rents.

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While the Department's report does not clearly distinguish between the improvement values of farms and their site values, it is possible to spell out from it an indication of the fact that much of the added farm values it reports are not improvement values which spread their economic blessings broadcast, but site values which enrich farm owners without enriching farm hands or tenants. And when it is considered that the largest proportion of the agricultural class are not owners, but are farm hands and tenants, the increase in the site values of farms is not especially encouraging for farmers as a class. In Illinois, for instance, farm land appears to have increased $20.48 to the acre, while in New Jersey it is $6.60; and in Iowa,

$14.65. In North Dakota the increase per acre is 70.6 per cent.; in South Dakota it is 65.2; in Oklahoma 76.7; in Flordia 57.4, and in Mississippi 58.9. These increases are largely if not wholly in the site value, improvements counting for little or nothing. And to the extent that they are increases in site value, they imply one or the other of two things: Either, advances in productive facilities and marketing opportunities have made the cultivation of these farm lands more profitable; or else, more pressing necessity for farming land has increased the demand for it without its use having become more profitable. On the latter hypothesis, the owner is able to enrich himself at the expense of others—from purchasers in higher purchase price, from tenants in higher rents, and from farm hands in lower wages. On the former hypothesis, the advances in productive facilities and marketing opportunities have been absorbed by owners, whatever goes to them in higher site values being deducted from the actual cultivator. Even the owner himself is no better off for these site value increases—not as a cultivator; for he either loses or fails to get as cultivator what he gains as owner. And when it is considered that as a farm owner the working farmer is very "small potatoes and few in a hill," it ought to be plain enough that on the whole, agriculturists are not enriched by advances in the site values of farms.

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THE LABORING MAN'S PROSPERITY.

The "tory" idea of "prosperity" is one thing in relation to great corporations, and a very different thing in relation to the common man who earns his income. The tory press is now beginning a "campaign of education," with the purpose of convincing the common people that they are securing their just share of the prevailing prosperity.

One cries: "Nowhere in the world is the laborer paid as high wages as in America. What, then, are you grumbling about?" Another quotes statistics, showing that wages per hour in a large part of the mechanical industries are 1.6 per cent. higher than two years ago, while the purchasing power of the advanced scale is 1 per cent. higher!

This tory paper, darkly perceiving that a bottle of pop and a stick of gum added to the purchasing power of the wageman would not justify the strenuous industry of the prosperity barker, admits that "the rich men who have large invested interests are known to be growing richer fast. Large dividends are being declared, the railroads are . . . overwhelmed with business, . . . banks make good showings," etc.; and adds: "But these things, when looked at superficially, show prosperity for the men of wealth and not for the common people." Then it goes on to describe as above, the ungrateful laborer, with head thrown back and bottle held aloft, wantonly enjoying the luxurious glugity-glug of his half pint of lemon soda!

Dear! dear! What ungrateful creatures the common people are!

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The intelligent reader will not fail to note with what ease the rich are shown to be "growing richer fast," yet how painstakingly the straightedge is adjusted and the spirit level is applied to demonstrate the scarcely appreciable upward slant of the common people's "prosperity"!

Having, however, triumphantly produced the bottle of pop, our tory cries: "Stay! stay! Don't drink it now. 'The situation has its suggestion for the laborer that he use this opportunity to lay something up for the possible time of idleness ahead of him!'"

Alas! it is greatly to be feared that this word of caution from the sympathetic friend of the laborer will be unheeded. History shows that the laborer's standard of living rises with every increase in purchasing power—that the laborer, having acquired the power, may be expected to purchase a bicycle, just as a tory newspaper-owner, "growing richer fast," abandons the wheel and buys an automobile! Which serves to show that "we are all poor critters."

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Now, we concede the pop. We admit that the common people, as a whole, really have a share in the prevailing prosperity. That the railroads, Standard Oil, the United States Steel, and the other great monopolies have not been wholly able to prevent the falling of crumbs from their tables, and that to the extent of the aggregate of these crumbs the condition of the common people is bettered. We are willing to take the tory newspaper's word as to the total value of said aggregate, namely, that it amounts to a 1 per cent. increase in the purchasing power of the laborer, and we will volunteer the concession that the small business man's purchasing power is proportionately increased. In short, we are convinced that for every additional palace the monopolist buys in Europe or builds in America, the average individual is able to put "thirty cents" in the savings bank.

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But we beg to ask: How can a newspaper that