bilities that may be involved in Bryan's idea, the fact remains that if the government doesn't acquire the railroads the railroads will soon own the government. This is the issue that Bryan has raised.

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President Roosevelt's Idea of Great Wealth.

In a church at Oyster Bay last week, President Roosevelt rebuked a clergyman for having advised the audience to disregard wealth. What a pity it is that Mr. Roosevelt was so far away from Palestine when the rich were admonished that it is easier for a camel to go through the eye of a needle than for a rich man to get into heaven. The New Testament might have read differently. According to Mr. Roosevelt, "the multi-millionaire is not a harm but a good to the community, if he appreciates that he is only a trustee for that wealth and he uses it for the cause of goodness." Apparently it makes no difference how the wealth comes, nor who is plundered and oppressed by its appropriation by the multi-millionaire, provided only that the appropriator hold it in trust and use it for good. Jonathan Wild, so it is said, had the same idea before Mr. Roosevelt adopted it. Wild, who robbed travelers of their money until he got hanged, appreciated his trusteeship and used his loot liberally for the relief of the poor.

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The Problem of Ownership.

"All human ownership," writes Dr. Parkhurst in Munsey's for September, "begins in a grab, in assuming that to be ours which is not ours; and continues as long as we can maintain the assumption successfully." There is so much of truth in this statement that Dr. Parkhurst's looseness of thought in regarding it as wholly true is to be deplored. It is obviously true of ownership of slaves, now that slavery is abolished; it would be as obviously true of ownership of land, if prevailing customs did not blur our moral perceptions in that respect as once they did regarding slavery; and it is evidently true of ownership of artificial things procured merely through the exertion of power or cunning whether legalized power or the power of the highwayman, whether legalized cunning or the cunning of the forger, the sneak thief or the confidence man. But it is not true of "all human ownership." The ownership of artificial things by the artificer or his honest assignee or donee does not begin in grab. There is a profound moral difference between ownership under voluntary title from the producer, and ownership under a coerced title.

Personal Property Taxation in Illinois.

A very material increase in assessments in Cook County, Illinois, has been made by the Board of Review, thanks to the prodding of that sleepy body by Mayor Dunne's law department. But the circumstances point to the inefficiency of the Illinois taxing system and its unfairness in operation. This system contemplates a uniform assessment upon a one-fifth valuation of all personalty; but in practice it is found impossible even to approximate fairness. The total personalty assessment for the whole of Cook County, even under Mayor Dunne's pressure, amounts to only $500,000,000, while the bank deposits in Chicago alone are said to amount to $600,000,000. This is in harmony with all fiscal experience, namely, that personal property cannot be fairly taxed. Nor ought it to be taxed at all—property that is essentially personal and not merely legally so. Tangible personal property, on the one hand, should be invited into the community, not taxed out of it; and intangible personal property, on the other hand, consists in fact for the most part only of certificates of ownership of some form of real estate, such as railroads, mines, etc., which can be reached and fairly taxed in the places of their location.

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Conflicting Capitalizations.

Regarding the subject of capitalization, so important to a really intelligent use of economic statistics, we find an excellent statement in the Chicago Record-Herald, under the signature of Henry L. Bliss, one of the most acute and logical analytical statisticians of this country. Referring to the common statistical error of treating all property values, all capitalization, as essentially the same, Mr. Bliss mentions $90,000,000,000 as the estimated valuation of all property in the United States, and says:

> But how much of this valuation represents actual wealth, and how much is but a capitalization of special privilege? The gas company of Chicago is capitalized at almost three times the value of its tangible property, and a year ago the value of the securities of the Chicago traction companies also amounted to nearly three times the value of their tangible property. But at the present time, owing to a recent decision of the Supreme Court denying the validity of the claim of a ninety-nine-year franchise and to the action of the voters of this city against the granting of further franchises, the actual value of these securities is but little more than the value of the tangible property. Here we have a great decrease in property values without any decrease in actual wealth. Likewise by the abolition of chattel slavery in this country there was a similar destruction of property values amounting to over two billions of dollars, without any decrease in actual wealth. The

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,