

also wish to receive the same service and must also have the use of land, a competition arises for the possession of the land, which advances the price, or rent, until it equals the value of the service. Since this service of government is to individuals, and individuals must occupy land within the jurisdiction of the government in order to receive the service, it follows inevitably that services rendered to buildings, such as scavenger service and fire protection, raise the value of vacant lots exactly the same as improved lots. Buildings do not command a greater price when given these services, for the reason that their number can be increased indefinitely. But the number of lots within a given area is fixed, and any increase in demand sends up the price. The same logic that prompts Mr. McLagan to levy a part of the expense of government upon land values, because the owners of land receive from those who use it full payment for it, demands that he levy all the expense of government upon land values, because the owners of land receive from those who use it full payment for all the service rendered.

s. c.



Missouri's Anti-Singletax Amendment Explained.

Before Mr. George Falloon of Kansas City wrote a pamphlet in 1912, entitled "Singletax Explained," he should have pondered well over the Biblical remark, "Oh that mine adversary had written a book." Mr. Falloon wrote in behalf of Missouri's plutocracy against the then pending Singletax amendment. The pamphlet did not live up to its title by any means. On the contrary, it consisted principally of misinformation concerning the matter purporting to be "explained." But one subject was explained therein accurately and clearly. It was the opinion of the Initiative and Referendum held by the interests represented by Mr. Falloon. This is important, since these same interests have induced the Missouri legislature to submit an amendment purporting to be an anti-singletax amendment, but which, if adopted, will practically abrogate the Initiative and Referendum. In this pamphlet Mr. Falloon made such statements as the following:

Initiative and Referendum was conceived in iniquity and born in sin.

Initiative brings to the surface the scum of society.

Initiative, Referendum and Recall are of no benefit to the poor.

Now the advocates of the pending amendment are trying to appear as friends of the Initiative and Referendum. This is not surprising. They fooled the voters in 1912. It is only natural that

they should hope to do so again. Mr. Falloon seems to have explained pretty well the designs of Missouri Plutocracy, even though he made a bungle of explaining Singletax.

s. D.



Municipal Markets.

Chicago has endeavored to loosen the grip of the high cost of living by establishing municipal markets. After much investigation, consultation, and speculation the City Council, and the various public spirited citizens who have interested themselves in the matter, have come to the conclusion that the first factor to be rid of is the exorbitant profit of the middleman. They found no fit relation between the price paid by the citizen and the amount received by the gardener. Means must be inaugurated to bring the producer and the consumer together. With this end in view, the Council passed an ordinance to establish a number of municipal markets in various parts of the city, wisely trying one at first to see how it worked. Some unused school property was opened, neighboring truckers were invited to bring in their vegetables, and the people promised to be there to buy. The venture started according to schedule. Prices were printed in the newspapers to show how much cheaper it was to buy directly from the producer, and photographs were taken of actual sales. The solution for the high cost of living had been discovered.



But fortune has not smiled upon the venture. The truckers returned to their old enemy, the commission man, and the patrons went back to the piratical middleman. Now there is doubt as to whether the other municipal markets will be established. Disappointed patrons of the idea are charging the commission men and the middlemen with intimidating the truckers; but there are a few who are beginning to doubt the wisdom of their course. The trucker, after all, is a human being, constituted very much as other men. One of his governing characteristics is an irresistible desire to proceed along the line of least resistance; in other words, to secure the greatest return with the least effort. And it did not take him very long to discover that he knew more about raising onions in a garden than he did about selling them in a market. Knowing more about the former than the latter, he very likely concluded that he could do better as a grower than as a seller. And not being handicapped by doctrinaire theories, he concluded to

devote his effort where it would yield the greatest return.



Few economic principles are better recognized than that the division of labor leads to greater efficiency and, hence, to increased production. Yet when the question of exchange is up, principles are forgotten and experience ignored, and well-meaning men set out to solve the economic problem through the elimination of the middleman. The middleman is merely a specialist, like the trucker; and he excels in exchange just as the trucker excels in gardening. He might grow his own onions, but he can get more onions with a given effort by confining his attention to selling and buying, than by raising them. So the trucker could sell his onions, but he can get a greater return for his labor by confining his attention to raising them and letting some specialist sell them. Exchange, that is, the getting of the thing produced to the consumer, is a distinct and separate stage in production. Naturally the men who devote all their attention to it can do it better than those who divide their attention with other things. Consequently the middleman effects the exchange of onions from trucker to consumer cheaper than any one else can.



Since the middleman can carry on this exchange cheaper than any one else can, one of two things must follow: Either he does do it, or he is making an inordinate profit. And since his business is open to the competition of all who wish to enter, it is quite evident that his gains can not rise above the general average of profits; hence, he must be rendering the service at the lowest margin of cost. What causes the confusion is the same thing that made men think the earth was flat—it looks so. It seems absurd to the casual observer that it should cost as much to get a bunch of onions from garden to table as it did to grow them. But this is not a matter for city councils, or college professors, or housekeepers to determine. The only way is to do it. Let any one raise onions, and let any one sell them. The ones who can do it best will undersell and run out those who do it less well, and in the end each person will be found doing the thing for which he is best fitted. Barring the element of monopoly we now have an ideal system of co-operation, in which the several workers, both in direct production and in exchange, are doing what is best for themselves and for their fellows. The mischief is all caused by mo-

nopolies; that is, by the state's giving certain individuals the power to charge their fellows a price without rendering them a corresponding service. The high cost of living is not to be solved by eliminating the middleman, but by removing the monopolist.

S. C.



Marketing by Parcel Post.

Extreme optimism, no less than excessive pessimism, is to be deprecated. A little sanity will oftentimes save the overconfident from discouraging disappointments, and enable a crusader to prosecute the campaign to the end, in spite of the loss of a battle. Those persons who expected the parcel post to solve the problem of the high cost of living by eliminating the middleman are now disappointed because experience has brought to light some factors that did not appear in the theories. The idea of transferring butter directly from the farmer who has been selling it for twenty cents a pound, to the city consumer who has been paying fifty cents a pound, at an expense of five cents, instead of the thirty cents charged by the middleman, has not materialized. Neither has it been possible for the housewife in the city to secure at a nominal price by parcel post those fine, yellow-legged chickens that the farmers all but give away. But this is not the fault of the parcel post. It is due to a misunderstanding of the facts. Farmers do not sell good butter for twenty cents when it is worth fifty in the city. Nor do they part with yellow-legged chickens for a song when the housewife is paying twenty to thirty cents a pound. The days of ten cent corn and five cent butter are past. Foodstuffs within reach of shipping facilities command a price. And the coldstorage warehouses in their eagerness to get hold of butter, chickens, and eggs during the plentiful season to sell when they are scarce, have forced up the prices on the farm, until the difference in the price from producer to consumer is no more than a reasonable return for the labor of handling the goods.



But there are other factors in this problem that have caused disappointment. Postmaster Campbell, of Chicago, who has been trying to establish some sort of Parcel Post Produce Exchange by listing the names of farmers who would sell, and of consumers who would buy, has been discouraged at the prices quoted. A woman in Iowa offers to send butter at fifty cents a pound; eggs, 40 cents a dozen; chili sauce, 40 cents a jar, and dressed hens, 35 cents a pound. As all these prices are higher than the Chicago retail market a few of the dis-