

greater measure. The rewards of labor are necessarily and woefully inadequate for the vaster numbers of mankind. It must be so as long as the earth is owned by the few; for wealth in consequence gravitates to an insignificant proportion of mankind.

WE do not expect Judge Gary to see this. We would not see it if we were Judge Gary. He is the product of the system at one end as Gerald Chapman is the most striking product at the other. Neither in all probability will ever see what is the matter with society. Judge Gary is aggrieved at the point of view carried into practical application by Chapman; the latter is probably aggrieved at Gary—and with about the same amount of reason, or unreason, if you please. We say probably, since we have no means of knowing; we have, however, heard from Judge Gary and have his point of view. It is wholly inadequate as explaining Gerald Chapman or any other criminal of the sort.

NOW what is Society doing to arrest this tendency to crime? We are speaking now, of course, of crimes against property. Nothing. On the contrary it is doing everything to encourage it. With economic institutions that give to those who do not earn and take from labor its product without recompense, that makes the reservoir of the earth a thing to be bartered for and speculated in, what sort of society can we look for? Is it any wonder that there has grown up a moral atmosphere that stifles the noblest impulses? Do we not hear on every hand the injunction—get money? Is lawless wealth a whit beyond lawless poverty in its depredations—has it a code of ethics at all superior to lawless poverty? If so it is not audible. "If you haven't any money you needn't come around," is a popular song; it is popular morality too.

WHAT does a protective tariff do? Never mind now about its labored and often nonsensical justifications. Does it not rob you? What does landlordism do? Robs you, of course. What of all the hugamuggery of stock speculation and stock watering, and the practices of business justified by business ethics—is not a large portion of it mere robbery? How does it differ from the practices of Gerald Chapman save that the element of violence is lacking? It does not need to resort to violence since it has the law—the same law Judge Gary would invoke for the suppression of crime which goes on at the other end of the social line. Judge Gary does not see this—he is probably so near to one end of the picture that the other escapes him entirely.

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## Government Aid for Dwelling Construction

THE recognized failure of private enterprise under present conditions to furnish adequate housing accommodations in many of the great American cities, has led to proposals that the state or federal governments should lend their credit to builders of homes or apartment houses. It is urged by those favoring this radical departure from prevailing policies of leaving the housing problem to be solved by individual initiative, that the chief obstacle to the construction of a sufficient number of dwellings is the lack of capital, or at least, capital that will be invested on the basis of the returns that may be accepted. They admit that the high cost of most building materials and the high wages paid to all workers in the building trades, are important factors in limiting construction, but as there seems to be no practicable method of effecting a reduction in material costs or wage scales, the only alternative appears to them to be that governmental aid should be given those desiring to erect additional buildings.

That there is in reality any scarcity of capital in the United States is not indicated by the enormous amounts deposited in banks, trust companies and savings banks, and the immense surplus funds of the great insurance companies. The fact that American loans of more than a billion dollars were made to foreign lands during the past year alone, taken with the lower interest rates that have prevailed, would seem to show conclusively that there is an abundance of capital now seeking an investment. Even if there was an actual lack of capital, it is a little difficult to see how the supply could be increased by government action. Neither the state nor federal governments have any funds except those raised by taxation, and any system of bond issues for providing building funds would subtract just so much from the deposits or accumulated resources of the various financial institutions.

A factor that has been ignored by the advocates of government aid, but one that is at least equal in importance to those already mentioned, is the high cost of building sites in the localities where dwellings are most needed. Should any of the ambitious proposals for governmental loans amounting to hundreds of millions of dollars be adopted, the direct result of increased building activities would be to create an additional demand for land on which the dwellings were to be erected. How this would operate may be seen by the one instance of the recent sale of certain lots fronting on Riverside Drive, New York City, on which a large apartment house is to be erected, for \$1,000,000.00. The building is to cost \$3,000,000.00, so that of the charges for rent that must be paid, one quarter goes to pay for interest on the cost of land, necessitating just so much higher rentals. It would seem manifest that government aid for housing would only stimulate competition for desirable

building sites, and, by increasing their cost, leave the problem of securing dwellings just where it is now.

## A Wise Move by the Russian Soviet

**G**RATIFYING evidence that the present rulers of Russia are sincerely desirous of improving the economic condition of the people within its boundaries is afforded by the reports of official action taken to provide for the settlement upon farm lands of the Jewish population. A recent statement issued by Vice-President Smidovitch of the Federation of Soviet Republics, sets forth the comprehensive plans desired to settle on the land at least 100,000 Jews now residing in cities and towns in the Ukraine and Crimea regions. Under the old regime the severe restrictions imposed upon the movements of the Jewish people, and the limitation of their acquisition of land, forced most of them into the cities, where they became traders, or small manufacturers. When, after the revolution of 1917, all forms of business activity were made a government monopoly, the result was great hardship to many thousands who had no way to get a livelihood, and were largely supported by foreign charity. While some of the restrictions on private business have been relaxed, it is not believed that there will ever be a return to pre-revolution conditions, since the government intends to remain the chief factor in all industry and business, and will rely upon the co-operative Associations as its principal distributive agency.

Foreseeing that provision for the large and growing number of Jewish inhabitants to get employment must be made in other directions, a special department has been organized for the purpose of facilitating the settlement on the land of all those willing to engage in some field of agriculture. A careful survey has been made of all the available fertile lands, with due regard to their proximity to the centres in which the Jewish population is chiefly located, and arrangements will be made for colonization both by groups of families, and by individual settlers. The government will provide allotment of areas according to the particular kind of crops, fruits, etc., for which the land is most suitable, and will furnish needful assistance in the shape of building materials, implements and stock. It will also arrange for the sale, through the co-operatives, of the farmers' products, and for the purchase of needed merchandise.

Recognizing the necessity for security of tenure of the farms to be occupied by the new settlers, in order to encourage industry in making permanent improvements, such as buildings, drains, orchards, etc., the government will give an assurance that so long as the easy terms governing the acquisition of the land are complied with, it shall remain in the possession of the occupier, thus establishing what is practically "private possession," if not

absolutely private ownership, of the farms. For the first three years the settlers are to be exempt from all taxation, and the future tax which will be calculated on the relative productivity of each allotment, is expected to be very light. With these conditions it should seem certain that the idle Jews of Russia will soon be self-employed and self-supporting.

## When is a Land Deal Not Gambling?

**"F**ORTUNES, large and small, made in brief periods in Greater Cleveland real estate, demonstrate that right here at home there is a condition which equals that in Florida," writes James G. Monnett, Jr., real estate editor of the *Cleveland Plain Dealer*. To support his claim he gives details of a small transaction involving a lot 95x140 feet; and then says:

On an investment of \$15,000 Mr. Conrad will receive in rent in ten years \$28,750. Then, if Mr. Kaplan exercises his option to purchase, Mr. Conrad will receive \$75,000 more—a total of \$103,750 in a decade on an investment of \$15,000! Or suppose the fee is not purchased. Over the ninety-nine-year period Mr. Conrad and his heirs will receive \$426,750 in rents and still will own the land. And the tenant pays the tax."

Another case is given as follows:

"The property on Euclid avenue, just east of E. 13th street, now occupied by the new Woolworth building, was purchased through Mr. Laronge for less than \$100,000 and resold for \$250,000. The Woolworth company acquired it for about \$450,000—all inside four years."

Custom is so strong that Mr. Monnett sees nothing immoral or unsocial in a system which enables private citizens, through luck or astuteness, to absorb such unearned fortunes. He is a real estate reporter—not a moralist. Perhaps, if he ever thinks of that phase of the matter at all, he laughs good-naturedly, and lightly refers to the professional guardians of public morals. He asserts, however, that such transactions in Cleveland do not constitute gambling, and, somehow, are different from similar transactions in Florida. It does not seem convincing. To one not engaged in land speculation, there appears to be no essential difference. In both cases, the public suffers loss; in each, industry is handicapped.

## Our Position

**W**ITH respect to monopolies, other than the monopoly of land, we hold that where free competition becomes impossible, as in telegraphs, railroads, water and gas supplies, etc., such business becomes a proper social function, which should be controlled and managed for the whole people concerned, through their proper government, local, state, or national, as may be.—HENRY GEORGE.