

Mr. Hopkins Again Bobs Up

MANY of us recall the platforms of the Committee of 48, which was gradually (or so it seemed) taking shape into something definite which believers in economic freedom could approve. There was, however, a tendency to modify these demands in response to what appeared expedient to those intent on forming a new political party. Mr. Hopkins was delightfully accomodating in accepting from time to time successive modifications.

We have received from the office of the committee of 48 a communication inviting us to enroll in the Progressive party. The platform once presented has disappeared and the demands once coming very close to something real have now "gone glimmering." The issue is now stated to be "the breaking of the combined power of private monopoly over the political and economic life of the people." How delightfully vague!

The advantage of a declaration of this kind is that it offends nobody. Of course, you cannot build a political party on it. It is not an "issue" at all, for voters will ask with some curiosity, "How do you propose to do this?" That, of course, is the "issue."

Mr. Hopkins and his amiable associates do not know and apparently never will know and never will understand. Amateurs to the last, they will persist in imagining that political parties are evolved out of thin air and that they are of any value when evolved.

How Wealthy Are We?

WE would not wish to be included among those who are said to find satisfaction "taking the joy out of living." Nevertheless, when a statement such as appears in the press of January 15th, based upon a statement issued by the Census Bureau, is printed without warning upon the front page of our leading dailies it is time to call a halt, and ask ourselves what are the real facts.

The wealth of America is put at \$321,000,000,000. This works out at about \$3,000 per capita or \$15,000 for the normal family of five. It is stated that this is an increase of 72.2% in a decade. Recently it was figured that the present dollar was worth only 58 cents, as compared with the dollar of 1914. Hence if our present wealth were computed in dollars of the value which the dollar had in 1912, our total wealth would be only \$186,000,000,000 instead of \$321,000,000,000, and it seems to be true, if we add 72.2% to \$186,000,000,000 we get as the result \$321,000,000,000 which is stated to be our present national wealth, so that in a decade we seem to have remained practically stationary!

But worse remains behind. The item of greatest value in the category of the national wealth was real estate, and its improvements subject to taxation, which is computed at \$155,000,000,000. We do not think that there

are any figures available showing the separate valuation of the land and the improvements on it, but it would probably be fair to estimate that at least \$75,000,000,000 of this represent land value. In addition to this there is \$10,000,000,000 of exempt land value and probably close to the same amount of land value of railroads, so that we will not be far astray if we estimate that \$100,000,000,000 of the so-called wealth of the country represents this very nebulous form of wealth, which chiefly consists of the power possessed by certain owners to make the other people pay them rents.

That is to say, it is an obligation for one group and an asset for another, so that as a whole it has no proper classification under the head of wealth, because wealth, by economic definition, is merely material modified by human labor so as to be capable of satisfying some human desire or need. If, instead of being used to satisfy human need or desire, it is utilized for the production of goods it becomes capital. So that while we must keep in mind the fact that the \$100,000,000,000 at which the value of land is computed is given in the inflated dollar of 1924, and is therefore subject to some discount, it is still an enormously important factor in the computation of the wealth of the country.

What we wish to insist upon is the probably unintentional, but none the less misleading, mis-statement of the wealth of the country which is put out by the Census Bureau. We might even go further, and point out that of the nearly \$16,000,000,000 which is given as the value of telegraph, telephone and power systems, street railroads, canals and irrigation, a very large proportion is not wealth in any strict sense of the term, but merely capitalization of special privilege, which the corporations engaged in those services enjoy.

There is even a further aspect of this over-statement. We are insisting upon the payment of the debts which the Allies owe us, but if we had any such vast and *real* wealth as the figures given out by the Census Bureau would indicate, we would be very mean not to write it off. Certainly this is how it must seem abroad where the people do not seem to realize that the cancellation of their obligations to us merely means that we shall go on for a decade or two paying those debts ourselves, because the ownership of these debts is not in public, but in private hands.

If this computation were to be taken at its face value it would form a most logical defense of the rejected Democratic administration of the ten years of 1912 and 1922, which we passed under Democratic rule, and these figures would seem to prove that this was by far the most prosperous period in the history of the United States. All of which goes to show how difficult it is to make deductions from statistics unless you understand them.