

We heard them fighting all afternoon as we sat in
the shade and smoked,
And this explains, oh Comrades mine, why none of
us three got croaked,
And when the people get tired of war and listen to
sense a bit
I think the ideas of such blokes as us may somehow
make a hit.

Then we will be the kings and lords, along with
some millions more,
And make things right for folks like us, as has never
been done before,
Each will be a kaiser and prince with his fellows to
help along,
While each race rules to the full extent that its mind
shall show up strong.

My name is Bill, I am millions strong, as all the
world can see,
And as I talked friend Hans approved and Henri
nodded, "Oui."

BOOKS

THE HIGH COST OF LIVING.

The High Cost of Living. By Karl Kautsky. Translated by Austin Lewis. Charles H. Kerr & Co., Chicago, 1914.

This little book discusses the effect of increased gold production on prices. It is well known that this is one of those questions on which authorities differ. Kautsky reaches the conclusion that the influx of gold has been a cause, but not the only cause, of the rise in prices since 1896. Tariffs, monopolies, land speculation and increased armaments are given as other causes. Kautsky's opinion is, however, that since 1894 "the effects of gold production predominated and made themselves earlier and more powerfully felt than the other factors—with the exception of tariffs which only operated in a transitory fashion." He does not think this will continue. A survey of the various gold fields indicates to him, if not a probable decline in the supply of new gold, at least a less rapid increase than in the period since 1896; and this means a check to prosperity. "If gold production operates as a means of advancing prosperity then it is not enough if it continue merely in the same measure as at present or in a lessened degree. It must grow manifold and without interruption."

The problem of high prices is not the same thing as that of the high cost of living. Kautsky finds that a rise in prices does not necessarily mean either prosperity or adversity. "Generally speaking it may be said that a rise in prices which springs from an increase in demand is attended by conditions which signify heightened prosperity and that on the other hand a rise in prices which

causes (is caused by?) a discontinuance or stopping of supply produces the greatest misery."

In which category does the advance since 1896 belong? Kautsky would probably say that this has been a period of prosperity, that statement being subject to all the qualifications implied in the Socialistic view of the condition of the wage earner under a capitalistic system of production. Perhaps that is equivalent to saying that there is not much left of the statement.

Some authorities have reached more definite conclusions. Professor Fisher is quoted in the introduction thus: "Moreover, so far as American statistics show, such as those of Bradstreet and the Department of Labor, wages have risen only about half as fast as the cost of living. In other words, during rising prices the laborer is the loser. In fact, his strikes and insistent demands for higher wages represent a belated attempt to overtake the advancing cost of living."

This suggests an inquiry. In any line of business in which profits advance twice as fast as wages, profits must be growing large. What protects such lines of business against the influx of capital attracted by such profits? We may not be able to compel concerns in such lines to compete; in fact, our efforts to do so have not, as yet, been crowned with success; but perhaps we could give outside capital a better chance than it has at present.

On the whole this book, including the translator's introduction, which has an interest of its own, gives the impression that the authorities differ principally in the importance they assign to the influx of gold as a factor in the price movement. Few, if any, would deny that it has had some influence, and perhaps none would say that it has been the sole influence. Still less would it be held to explain the wide variations in the advances shown by different commodities; or in the relative advance of wages and commodities; and consequently it can hardly be accepted as a sufficient explanation of the high cost of living.

WILLIAM E. MCKENNA.



When my child disobeys, if I beat him until I break his bones or confine him in a dungeon until I destroy his ambition and then have to support a cripple or imbecile, am I wise? And yet that is just what society is doing with her present methods of penal servitude.—Convict 6899, Washington State Penitentiary.



Mr. Roosevelt says he has discovered a river, and the scientists say it must run up hill. If Teddy has really discovered that kind of a river, we will have more confidence henceforth in his theory that he can make people rich by taxing them.—Craig Ralston.