

further increasing the cost of living, is certainly futile and is possibly suicidal.

(7th.) Increase of wages to labor, or of interest and profit to productively-invested capital, or, any increase in their joint effectiveness resulting in either greater production or greater economies, under *present* conditions, as has been uniformly true in the past, will be ultimately absorbed by land values.

(8th.) The possibility of averting industrial depressions and financial panics, and, promoting any increase of *net* returns to labor and *productively* invested capital, is positively proportionate to such reductions as taxation may make in land-value or raw-material costs. Land-value or raw-material costs, which in 40 years have risen about 65%, is the *only* cost factor that has *risen* and is the *single* cost-factor which *taxation* can *reduce*.

(9th.) At *every* process of production and distribution, selling price must *necessarily* include *every* cost factor of productive and distributive effort, plus an adequate margin of profit on the cumulative investment in the product sold. But, selling price now *unnecessarily*, and *improperly*, also includes an increasingly burdensome *ante* production cost in the form of ever-rising land-value costs. As this constitutes both the *principal* and the *compelling* cause of the *needlessly* high cost of living and of conducting business, neither greater production, nor economies, in themselves alone, can possibly reduce total costs.*—K. P. ALEXANDER.

The Function of Rent

IT is sufficiently obvious that the share of the rent of land, which may be taken to defray the expenses of government, does not affect the industry of the country. The cultivation of the land depends upon the capitalist, who devotes himself to that occupation when it affords him the ordinary profits of stock. To him it is a matter of perfect indifference whether he pays the surplus, in the shape of rent, to an individual, or, in that of revenue, to a government collector.

In Europe, at one period, the greater part of at least the ordinary expenses of the sovereign were defrayed by land which he held as proprietor; while the expenses of his military operations was chiefly defrayed by his barons, to whom a property in certain portions of the land had been granted on that express condition. In those times the whole expense of the government, with some trifling exception, was therefore defrayed from the rent of land.

If a body of the people were to migrate into a new country, and land had not yet become private property, there would be this reason for considering the rent of land as a source peculiarly adapted to supply the exigencies of the government: that industry would not by that means sustain the slightest depression; and that the expense of the government would be defrayed without imposing any burden upon

We leave Mr. Alexander's interesting analysis to our readers. We may have some comment to make on it later. Just now we desire merely to say that we find it impossible to give it unqualified endorsement.—EDITOR SINGLE TAX REVIEW.

any individual. The owners of capital would enjoy its profits; the class of laborers would enjoy their wages without any deduction whatsoever; and every man would employ his capital in a way which was really most advantageous, without receiving any inducement, by the mischievous operation of a tax, to remove it from a channel in which it was more, to one in which it would be less productive to the nation. There is, therefore, a peculiar advantage in reserving the rent of land as a fund for supplying the exigencies of the State.
JAMES MILL (1820).

Office Rents in This City

THE *New York Times* of Sunday, April 25, contained an article on Rents in New York Business Buildings, showing increases of 100 to 500 per cent. We have only to reflect how such increases operate upon business efficiency to discover another cause of high prices. The business activity of a manufacturer may be limited to a particular section. He finds himself under the necessity of transferring, at a few weeks notice, all his office appurtenances; all his machinery of publicity, to some less desirable location. The work of years must in a measure be begun all over again. The orderly processes of his business are interfered with and production is interrupted. To many business men the matter is a very serious one.

We append from the *Times* article a few of the instances given.

PREMISES	PRESENT RENT	DEMANDED FOR RENEWAL
132 West 21st Street	\$2,200	\$5,500
11-13 East 26th Street	7,500	17,500
314 Fourth Avenue	9,500	30,000
115-123 West 29th Street	4,058	10,000
110 West 27th Street	2,400	7,000
7 West 30th Street	3,750	8,000
159 Madison Avenue	7,500	13,500
37 West 20th Street	5,000	12,000
63 West 38th Street	7,000	20,000
20 West 38th Street	6,000	28,500
632 Broadway	3,500	10,000
105 Fifth Avenue	10,000	20,000
48 West 4th Street	4,250	12,000
12 West 21st Street	2,500	5,000
29 West 38th Street	5,000	12,000
37 West 28th Street	4,000	8,000
149 West 24th Street	3,000	9,500
312 Seventh Avenue	1,550	5,000
147 West 24th Street	1,300	4,200
132 West 31st Street	2,650	6,000
133 West 19th Street	1,750	4,500
4 West 16th Street	1,800	4,000
26 West 17th Street	4,000	12,000

POVERTY palls the most generous spirit; it cowers industry, and casts resolution itself into despair.—ADDISON.