

This is the truly refreshing manner in which the three judges of that court dealt with it: "It is a strange doctrine that the court shall support the policeman every time. If this pronouncement of the trial judge is sustainable, where are our boasted liberties? Are they at the mercy of policemen, right or wrong? Must the citizen be beholden to the whim and humor of the police for his freedom, and can that freedom be taken away without the citizen offending against the law? The doctrine announced by the trial judge is too dangerous to be tolerated for one moment in the temple of justice."

\*   \*

### British Tories and the Socialists.

Mr. Balfour, the Tory leader in British politics, is reported as having said in a speech at Glasgow last January that "it would be grossly unfair upon the socialists to confuse them with Mr. George's disciples, "for no socialist is such a fool as to draw a distinction between property in the land and any other form of capitalized wealth." He added: "There is no distinction, and the socialists draw no distinction." This is a little bit rough upon the socialists, for two reasons. First, because Mr. Balfour assumes to recognize them as at one with the Tories on a fundamental question; and, second, because the great prophet of socialism, Karl Marx, was a fool by Mr. Balfour's test. For Karl Marx made precisely the distinction that Henry George did, between land, and products drawn by labor from it. When Marx dealt with "exchange values," he seemed to lose sight of many economic effects of that fundamental difference. So do his followers. But when he wrote of "use values," by which he meant what George meant by "wealth," Marx distinguished the difference between land and the products of labor very clearly. In the first chapter of his "Capital," for instance, he wrote: "The use values, coal, linen, etc., i. e., the bodies of commodities, are combinations of two elements—matter and labor. If we take away the useful labor expended upon them, a material substratum is always left, which is furnished by Nature without the help of man. . . . Labor is not the only source of material wealth, of use values produced by labor. As William Petty puts it, 'labor is its father and the earth its mother.'" And in his annotations to the program of the German Labor party (International Socialist Review, vol. viii., pp. 643, 646) Marx is explicit with reference to this difference—a difference which Balfour assumes the Tories and the socialists to be agreed in denying the existence of—in

its bearing upon questions of capitalism. Here Marx writes: "In the society of today the means of labor are monopolized by the landed proprietors; monopoly of landed property is even the basis of monopoly of capital and by capitalists." If Mr. Balfour would regard socialists as occupying the Tory position that land is wealth and its capitalization makes it identical with other forms of capitalized wealth, he will have to quote socialists who repudiate Marx in that respect. For on this point, at least, the disciples of Marx and the disciples of George are agreed, even though by that agreement they are all fools in the estimation of Mr. Balfour, the landlord leader of England.

\*   \*

### Interest and Wages.

Professor Taussig's comment in the Quarterly Journal of Economics for May, upon the controversy between Professor Clark and Böhm-Bawerk, affords a convenient basis for a discussion of the question of interest and capital. Incidentally it is to be observed that Professor Taussig still hankers after that "flesh-pot" of the old classical economics, the economic value of "abstinence" and "sacrifice." In his hands, however, this fallacious theory of production really simmers down in such manner as to be analogous to the abstinence and sacrifice of the kitchen, where potatoes must be peeled before they can be mashed, and the peeler "abstains" from eating them raw, so as to furnish capital for the cook to finish their preparation. In like manner, the potato-digger, the potato-planter, the knife-makers, the ploughmen and the plough makers, and all the makers of cooking utensils "deny" themselves by "abstaining" from eating those utensils (or gorging themselves perennially on wild berries and roots instead of making utensils for producing mashed potatoes), in order that by co-operative industry they may have mashed potatoes.

+

While Dr. Taussig does not overlook the fact that all this is co-operative work, which in itself would require no sacrifice but would in fact lessen sacrifice, the element of time misleads him into the supposition that there must be "saving", although in fact there is no saving, but simply continuous co-operative work which yields a continuous supply of goods finished for consumption. On this point Dr. Taussig seems to be at a clear disadvantage as compared with Professor Clark; although he has as distinct an advantage over Professor Clark in insisting that the differences between land and capital are as fundamental and