

rent was \$375 annually on a three-hundred-day work year basis.

Knowing that shovels could not be reproduced, financiers felt safe in estimating the value of shovels by taking this figure at 5 per cent on the investment, the rate at which money could be borrowed in Dry Lake City. At this rate of calculation, a shovel was now worth \$7,500. According to the same figures, the wealth of Dry Lake City, as represented in shovels, had pyramided to the astounding total of \$105,000,000!

When citizens reflected that all this vast wealth had been created by Martin's simple expedient of withholding a thousand shovels from use and taxing José Vasquez' beans, that it had been created without an extra day's work by anyone, it is not remarkable that they considered him a statesman of enormous capacity.

It was noticeable, however, that as shovels increased in value the owners became fewer in number and more shovel operatives became tenants.

It was extremely difficult for a tenant to purchase a shovel for \$7,500 when he had to give one-fourth his wages each day for its use while he was earning the money to pay for it. It became still harder after José Vasquez began paying the taxes, because each shoveler suddenly found it one-half times more costly to eat.

By contrast, it became easier for those who possessed shovels (whence they derived increasing revenues) to