

It is not intended by this statement to convey the idea that the rise in the value of any particular tract of land will be in the exact proportion here mentioned. In many important instances in America it has been greater, in others perhaps less.

But it is intended to shew, that the increase in the value of American lands is, in its nature, like that of *compound interest*; and that assuming the very moderate ratio of three and a half per cent, for the increase of inhabitants, the general rise in the value of property resulting therefrom, is very far above the profit of capital in any of the ordinary ways of employing it. And it is to be remembered, that these statements being matters of arithmetical calculation, are not to be disproved, except by disproving some of the premises on which they are founded.

It ought also to be remarked, that the statement is burthened by the inclusion of all the lands in the United States, and of course, of many millions which are not now for sale, and will not begin to be settled for many years. It is therefore much too moderate, if considered with respect to the lands now in market.

The lowest price at which Congress sells the lands, they offer for sale at two dollars per acre.

The astonishingly low prices of lands in America, have hitherto been occasioned by the want of capital to invest in them. Only a few European capitalists have lately understood the subject: and nobody is ignorant of the immense advantages they have derived from it. The great increase of capital in America, together with the investments which Europeans are beginning to make in lands, will probably raise their value far above the rate at which it has increased at any former period.

Such a conclusion results, not unnaturally, from another consideration, which is this:—The price of any commodity whatever, may be raised in two ways—either by diminishing the quantity for sale, or by increasing the demand. But the extension of settlements, and the increase of wealth and population, operate at once, in both these ways, upon American lands; not only diminishing the quantity for sale, but increasing the means, and the eligibility of making further purchases and settlements.

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