

# The Freeman

*A Monthly Critical Journal of Social and Economic Affairs*

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To the masses of the people war always means suffering and impoverishing. But to the officers of a standing army or navy war means promotion and enormously augmented importance; to contractors it means great fortunes; to politicians who can utilize its passions it means long leases of power.—The Standard.

## The Surest Road Is Shortest

REVOLUTIONS have not brought about any lasting change in our economic structure because the successful revolutionists never applied themselves to this problem. They merely broke up the bric-a-brac of the political order and always left the economic edifice intact.

Indeed the history of revolutions seems to be a chronological record of changes in political overlords. The "outs" throw out the "ins," re-arrange the political furniture in the belief that the new arrangement (say, a constitution, or a bill of rights, or a system of checks and balances) will somehow safeguard social and economic life against political abuses. The new "ins" then ensconce themselves in the comfortable seats of power, wherein are hatched, in spite of the safeguards, the very abuses which the revolution had promised to eradicate.

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Thus, every revolution has sown the seed of its successor. To say that each revolution has advanced the cause of mankind is to put a limited value on the word "advance." It assumes that the diffusion of political power in some way makes for greater happiness; whereas much can be said for the greater happiness prevailing in certain periods of history when political power was centralized. But, even by the standard of democratizing political power, revolutions seem to have failed, for the roundelay of revolutions has culminated in our time not only in a return to centralization, but also in a popular idealization of it. The modern trend is toward the apotheosis of pharaoh-ism.

\* \* \*

If history throws any light on the future, a new series of revolutions is in store for mankind. In time the misery brought about by present regulatory scheming will result in a demand to break up its political furniture and drag back the democratic rococo. In a thousand years—

But, maybe men can learn. In the physical sciences they have shown remarkable ability to

snatch from nature eternal truths, and to utilize this knowledge for their well-being. While it is true that predatory interests do, and for a long time will, prevent by legal and pedagogical chicanery the understanding of natural law in social relationships, the very futility of revolutions may force an inquiry into this field. True prophets are always possible.

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And since life is always a preparation for living, there is always the possibility of a revolution which will leave the political order completely out of consideration, but which will apply itself only to building an economy based on natural law. How will that novel revolution—that genuine revolution—come about? Only through popular understanding. We cannot build unless we know how.

\* \* \*

You who have faith in political documents as security for human happiness, witness how these parchments throughout the ages have failed you. How constitutions, written with the blood of decapitated despots, have given rise to new tyrannies. How pacts to end wars have been merely the instruments for new blood-letting. How political plans, drawn with consummate human ingenuity and sealed with every known device to insure durability, have never succeeded in abolishing the slavery of mankind. Can you still have faith in politics?

\* \* \*

Let us not waste another thousand years, or destroy more millions of lives, in the futile effort to gain human happiness through the constant rearrangement of the political state.

Let us take that still untried route which seems logically to lead us to our desired goal. Let us teach ourselves how we can be free—economically free—so that the promise that is in each of us can be realized. Education, not power politics, is the road. It is the surest road, the shortest road.

## Are We Finished?

THE LAST TEN YEARS of continuous unemployment have given birth to a new theory of defeatism. The intelligentsia of our campuses, having had a fling at legislative enactment of their silly economic concepts, are saving face by a rare bit of rationalization.

The United States has attained its "full economic growth." Further productive expansion is impossible. With the disappearance of the last frontier there is no room for free enterprise. We have reached a static economy, and it is the business of government to operate it. Gradually the politicians must take over and plan our way of living.

This, of course, is the New Deal apology for its failure to bring about recovery. Neither Republicans nor Democratic opponents of the New Deal have any understanding of economic fundamentals, and are therefore at a loss to meet this philosophy of despair. In principle there seems to be a tacit agreement with the sage of Hyde Park, and this is the weakness of his political enemies. They have nothing better to offer.

It is a fallacy that government does or can produce anything. At best, government is merely specialized service. So that we who engage in production may continue to do so effectively, we employ teachers, firemen, traffic officers, to take over the duties that can best be done collectively. Instead of a volunteer fire department we have a paid fire department; instead of giving up so many days in the year for road repairing, we pay road builders so many days' work in order that we may concentrate on the production of goods.

When government goes beyond these simple services and presumes to engage in the production of things it is competing with capital and labor. Since government is monopolistic in character it is wasteful. It cannot be efficient because it is not subject to competitive standards. Its very inefficiency prompts it to destroy competition by law, or by subsidizing itself through taxation at the expense of the labor and capital with which it competes.

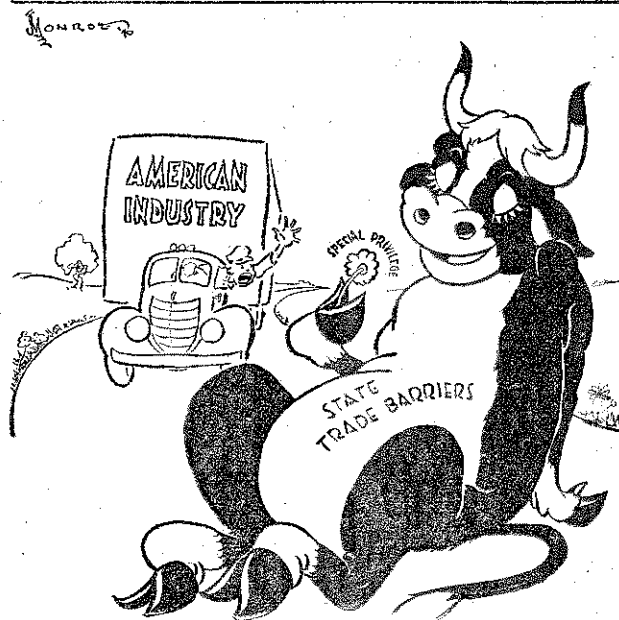
Since the object of production is the satisfaction of desires, and since human desires are unlimited, there can be no final "attainment of economic growth." There may be a dying economy,

but there is no static economy. Every satisfaction brings about a new desire, every generation gives birth to new wants, new hopes. It is only by force, by public or private robbery, that the human urge for more and higher gratifications is suppressed. An economy which is not dynamic is a slave economy, and that is decay.

There is no limit, save our natural resources, to what we can produce. And since the end-all and be-all of production is consumption there can be no point of saturation. There may be—and this our intelligentsia stupidly refuse to see—only artificial limits to our economy, limits created by government in the interests of predatory groups. Our economy cannot continue to expand if every advance of productive enterprise merely increases the tribute to privilege. We cannot consume what is taken away from us. Robbery stops production.

To substitute for an oligarchy of private monopoly the more predatory oligarchy of government monopoly is merely to hasten our economy, and our consequent social standards, downward.

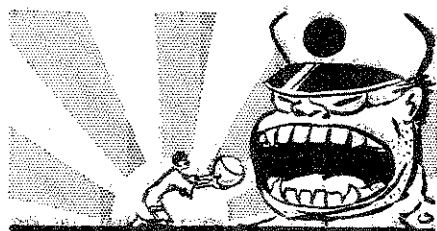
**Please, FERDINAND!**



## How Low Can Nippon Go?

WHETHER THINGS made for destructive purposes are or are not "wealth" is a source of interesting, if fruitless, discussion. But the results of labor exerted in the production of things which do not contribute to human satisfactions are too painfully real to permit of harmless dialectics.

News trickling through the Japanese censorship throws much light on this question. Fish, vegetables and rice—the staples of Japanese diet—are crucially deficient. So many people are eating the curd bean



waste usually fed to cattle that cows are giving only one-fifth the usual milk supply. Charcoal, the national domestic fuel, is getting scarce, and school children are sent to the mountains to cut wood and carbonate it. A shortage of labor has resulted in the drafting of Chinese war prisoners. The use of electric power is being restricted because of the acute shortage of coal. Lack of housing, because the building workers are at war, has made a Harlem of Tokyo: ten people have been found living in a nine-by-twelve-foot room. And so on.

For more than two years hundreds of thousands of Japanese soldiers have been destroying the production of hundreds of thousands of Japanese workers. If the purpose of production is the satisfaction of desires, then the machines of war made by Japanese workers can be called productive only by a slavish obedience to word-logic. That the desires of the Japanese engaged in the making of bullets have not been satisfied is evidenced by their own acute lack of the necessities of life.

Man labors to enjoy the fruits of his labor, which, in turn, direct other laborers to produce things in exchange. In the marketplace the various things that satisfy the multitude of human desires are liquidated. The values of the marketplace determine the direction of productive labor.

There is a market for bullets. But it is a false market, one created by predatory interests, not by free workers. It is not a place where workers freely give up their production in exchange for things they want more.

The government which creates this marketplace is a predatory organism which takes but does not give. Since it produces nothing, it can bring no equitable exchange to the marketplace. Its instrument of forced exchange is taxation. The worker who receives the proceeds of this taxation for his produce must ultimately pay it back with more production. Thus, what he gets in the false market is merely a mortgage on his labor.

From the human point of view, this constant depletion of the product of labor for the prosecution of war, or the doing of things that do not conduce to human satisfactions called for in a free market, results in what is euphemistically called "a lower standard of living." That is, labor is robbed of its produce and has less to live on. Eventually it has so little to live on that it loses human resemblance and becomes more akin to the vagrant cur that furtively gains its livelihood at the garbage pail.

### Simple Arithmetic

THE FUTILITY of attempting to meet the needs of government by the "soak-the-rich" method is demonstrated by the fact that the Federal Treasury could not finance its outlays if it confiscated every cent of income of all families and all individuals who earn more than \$5,000 a year. The total of such confiscation would be only \$5,291,000,000. These are 1937 figures.

On the other hand, the rental value of land in this country, as far as it can be ascertained from incomplete assessment valuations, is upwards of twelve billions annually. The collection of this sum would force into use speculatively held land, which necessarily includes the best sites, and the increased productivity would greatly swell the rent fund.

So, Mr. Morgenthau, why worry about your budget? Take the rent of land. You'll have enough and to spare for your pestiferous budget, and you needn't bother us with taxes at all.

## The Freeman

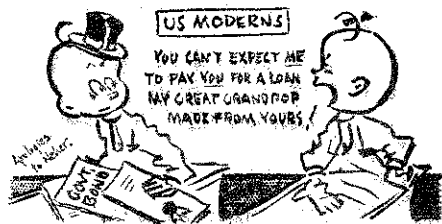
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## Mortgaging the Lion's Cubs

THE BRITISH ANNOUNCEMENT of a £300,000,000 war loan, bearing 3 per cent interest, brings to mind some Liberty Bonds we bought, and urged others to buy, in 1918-19. Particularly reminiscent was the statement by the Chancellor of the Exchequer that the new bonds will be subject to a partial payment plan. This is the same old appeal to the patriotic-cupidity of the "little man."

We recall that many workers who pinched themselves to buy a stake in victory—and, incidentally, to invest in the "safest security in the world"—later found themselves unable to keep up the payments, sold the bonds for much less than par, lost much of their savings. If a census of present owners of Liberty Bonds were available, it would disclose that very few of the original purchasers retained them. Who has the bonds? Your guess is as good as anybody's.



Anyhow, the present owners of Liberty Bonds, in collecting "interest" on these securities, are sharing in the taxing power of the government. It must be remembered that the money received by the Wilson administration from the sale of these bonds was not used as capital; that is, in the production of wealth. It was blown up. Therefore, the return to the owners of war bonds cannot be called "interest"; it is merely a tax on production.

War loans do not help a nation carry on war. The workers in 1918-19 produced the things necessary to the business of war. We fight, as we live, on present production. In creating a war liability, the government burdens future workers with a debt which they could not have incurred, since they were not born at the time. For the same reason they are not making payments, through taxation, to the workers who helped wage the war, nor even to those who lent the money to the government. War debts are a burden on present population for the benefit of living owners of the bonds.

Hitler and Stalin are much smarter than Chamberlain. For their war they prefer to take from workers all their produce above a very bare exist-

ence. (Maybe the dictators are not so smart; maybe they are making a very few loans merely because of a shortage of lenders). Unless Germany and Russia are so vanquished that their conquerors can impose a collectible war indemnity, these nations will emerge from the holocaust without a debt burden, and this would be quite an advantage to future Russian and German workers.

We do not, however, recommend the Hitler-Stalin robbery technique, superior as it is to the hocus-pocus technique of Chamberlain. Robbery, like the subtler method of taxation, distinctly discourages production. There is a source of revenue which would greatly encourage the productive enterprise necessary to the prosecution of war (to say nothing of peace) and would place no burden on the future workers. That is the economic rent of England.

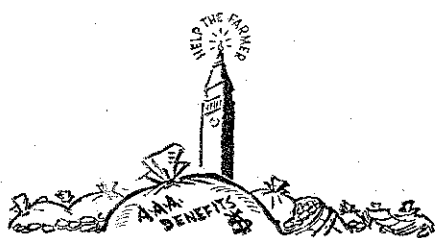
But to collect rent openly, even for war, would destroy the prerogatives of the land-owning class whom Mr. Chamberlain represents, the very class who will eventually own all the war bonds.

## Humor of the Month

AFTER LABORING for two years on word-ammunition with which to confront verbose New Dealers in what promises to be the wordiest political campaign that ever dulled the wits of American citizens, Glenn Frank and his 200 G. O. P. advisers brought forth this twister: "freedom of enterprise with *protective regulations*." . . . Like a million others whose snouts are more or less immersed in the public trough, Mr. Roosevelt's confidential secretary hopes he will run for a *third term* . . . Gov. Earl K. Long of Louisiana sought to win his election by hurriedly forcing through his Legislature a bill giving school children *free lunches*. Sam Jones, his successful opponent, *promised to retain* the free lunches . . . The Marxist parentage of both communism and fascism was further betrayed by Dr. Robert Ley, Nazi Labor Front leader, who, cribbing from the Communist Manifesto, exclaimed: "Workers of all lands, unite to smash the rule of English *capitalism*." . . . It is reliably reported that the New Deal census takers will not ask us about our *land holdings* . . . Believe it or not, fact-finding Sumner Welles learned that peace hangs only upon a reapportionment of God's *real estate* . . . Senator Wagner, who gave us the NLRB headache, now proposes to clear up the situation by imposing a super-regulatory body, the United States Mediation Board. A drunkard never knows when.

## Picking a Nation's Pocket

A BILLION DOLLARS, or some such fantastic sum, will be voted by the present Congress to "help the farmer." And this in spite of a most revealing report made by the Agricultural Adjustment Administration on March 2.



In 1937 the AAA made "farm benefit" payments to the Metropolitan Life Insurance Company amounting to \$25,709,564. This made the Company the biggest "farmer" in the country. Equitable Life received over twenty million, New York Life a mere three million.

The average check sent to 3,750,000 farmers who participated in the 1937 program was for \$75. When it is considered that 272 checks were for \$10,000 or more each, that 594 ran over \$5,000, that more than 20,000 farmers and corporations received more than \$1,000, it will be seen that a great many farmers must have been glad to get \$5 or less for holding their land out of use.

Nearly all the top payments went to life insurance companies and banks, the large-scale owners of farms through mortgage foreclosures.

What does this mean? That the beneficiaries of our "farm relief" program are not farmers but landlords; that the real farmer, the tenant, the actual producer, gets very little of this money; that the result, if not the purpose, of the AAA is actually to subsidize land speculation. The government is taxing us to provide a bounty to landowners so that they can restrict production and thus raise the price we pay for foodstuffs. The government, furthermore, induces the landowner by this subsidy to hold up his price for the use of the land so that the actual farmer, the producer, must give up more of his product for the privilege of working.

This is not stupidity; this is downright robbery. True, the Congressman who votes for this subsidy probably would prefer that none of it go to these big insurance companies and banks. But in order that some of the swag remain in the hands of the small land speculators in his home bailiwick—that is, the local banker and other tin-horn financiers of

the "sticks" upon whose largesse his residence in Washington depends—he is forced by our land tenure system to count "Wall Street" in. Yes, and it would be interesting to know how much of this loot goes to the Congressmen themselves, and to their families. Almost every politician in the farm belt dabbles in land speculation.

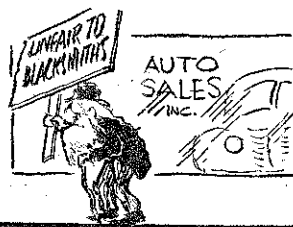
The AAA is not an agricultural administration at all. It is an affiliate of the farm land barons of America, holding a gun at our heads while they pick our pockets.

## The Right to Stop Progress

A NEW YORK APPELLATE COURT recently held that it is legal for a union to strike and boycott against the introduction and use of labor-saving machinery.

The jurists very wisely held that it was not their province to decide whether labor-saving machinery does or does not constitute progress; they were concerned only with the law, presumably the law which permits "peaceful picketing." And the law, which reflects public opinion, recognizes the union technique of securing privileges for its members.

Our entire economy is based on the political means, rather than the productive means. The law must not be blamed for being illogical, or seeming to contravene either basic principles or common



sense. The political means of acquiring wealth is a denial of all reason, for it assumes that increasing the wealth of one group of citizens at the expense of others adds somehow to the wealth of the community. The political means is accepted in standard economic text books, in what is taught as sociology in our colleges, in the utterances of prominent public officials, in all current literature. Therefore, it is imbedded in our law.

A title deed to land enables its owner to extract from labor and capital a part of their production.

that is the political means. Tariff-protected industries get a higher price for their products than they could get in a competitive field; that is the political means. So long as we permit the exercise of the political means (or privilege) we must expect the incongruities that follow. Striking by unions to prevent technological progress is no sillier than increasing prices by restricting the production of farm products.

The case in question involved the use of "canned music" by a touring opera company, which was forced to suspend operation because of union opposition to that device. The court, in refusing to

enjoin the union from continuing its campaign against the mechanical music, said: "We see no reason why it is not the legitimate object of workmen to attempt by lawful means to limit such alleged 'progress' when it results in direct injury to them." By the same logic, it would be a legitimate object of the workers who make and distribute mechanical music to strike and boycott against the union of "live" musicians who benefitted by the court's decision.

When the political means is an accepted canon of our economy (and, therefore, of our law) such strange and unsocial situations are inevitable.

## Must We Change "Human Nature"?

THOSE WHO MAINTAIN that the social structure is awry because it reflects the inherent badness of human nature suspend their argument in mid-air because of their failure to define this "human nature."

Until a satisfactory definition—inclusive and exclusive—is supplied, we cannot even attempt a solution of our social problems. Unless, indeed, we revert to the ancient therapy of burning devils out of human nature at the stake. That failed because of the incidental destruction of the body which seems to be an essential condition of human nature and its devils.

Whether human nature is identified with soul or ego, it seems to be—as far as we have been able to ascertain—a personal experience which defies description. Metaphysicians deny the accuracy of psychological explanations, while theologians posit a "likeness of God" theory which impales us on whatever concept of God suits our fancy.

There are some who, failing to define human nature, assert that it can be improved by hereditary selectiveness. The social order can be improved only if the breed can be improved, and that can be done by the mating of human beings who measure up to certain standards of behavior and intelligence. That is, the solution of our social problems must wait on the improvement of the stock through the transmission of acquired characteristics—which, in turn, is a moot, if not exploded, biological notion.

The eugenists were on the receiving end of some very telling blows at the annual convention last month of the National Society for the Study of Education. They heard, for instance, of children

born of unwed feeble-minded parents, who after adoption by highly intelligent families exhibited a high intelligence quotient. They were informed by the University of Iowa's Child Welfare Research Station that when children were transferred from a bleak orphanage to good homes their I. Q.'s invariably improved. Other testimony revealed that identical twins reared in separate homes had different I. Q.'s, and that Southern Negroes who moved to Harlem, where better schooling is available, raised their intelligence quotients.

The eugenists contended that technical errors invalidated much of this evidence. And so, the environmentalists and the hereditarians locked horns and, as usual, the battle ended in a stalemate. "Intelligence," said the final speaker, "at least as measured by the I. Q., is not a constant and is a resultant both of hereditary and environmental factors."

Which leaves us where we were. And convinces us that in our search for a better social order it is futile to wait upon universal improvement in human nature (which is even more significant than human intelligence, because intelligent people are not necessarily human in their behavior).

We don't know what human nature is, and, until we do, all talk about improving it is vacuous speculation. But we do know that environment decidedly determines the reactions of human beings, and that a better economy results in more socially desirable reactions. Since environment is an experimentally knowable thing, we should, as sensible people, apply ourselves to the study of the forces which determine its character. And maybe what we call human nature will take care of itself.

## Sparks from the Finnish Peace

"THE MORAL is to the physical as three is to one." On the basis of this Napoleonic ratio the Finnish army of free citizens could well have withstood the army of collectivist slaves had the relative numerical strength of the two countries been somewhat less than forty-five to one. David slew Goliath. But Goliath had only one life, while the Soviet Commissars could, and did, sacrifice many thousands of lives at the altar of their greed for power.

Against such odds the bravery and resourcefulness of a free people was not enough. But social history must evaluate the struggle between Finland and Russia as a victory for the smaller nation; for, had its people also been a product of a slave economy there would be no Finland to-day. Again the chronicle of events yields an accolade to liberty.

\* \* \* \*

The aftermath of this rape of a small country directs our attention again to the cause of the war—the hunger for natural resources. Almost immediately upon the conclusion of the peace, commentators stressed the fact that Russia might now direct its attention to the purposes for which Germany enticed her into the war. Now German technicians might go to work on the land of Russia to extract the many things needed for both the German army and her home economy. Now Russia and Germany could cooperate in squeezing oil out of Rumania, food products and minerals out of all the Balkans.

It seems peculiar that the importance of land to a war economy should be so readily recognized while in peace times the tendency is to overlook land and to stress such inconsequentialities as money, technological improvement, control of capital and political planning. War certainly points up the fundamentals.

\* \* \* \*

But, to those of us who remember the "Help Belgium" campaign preceding America's entry in the World War, surcease of the "Help Finland" campaign brings relief. There was enough similarity in the propaganda methods to make us fear the worst. The natural sympathy of a sporting nation for the "under dog" was gradually being whipped into a

frenzy, the result of which was too obvious to reminiscent oldsters.

For the moment, the Finnish peace has kept America clear of the slaughter.

## Economics a la Gilbert & Sullivan

WHEN THE MILL was purchased from the Enterprise Hosiery Company by its employes last fall, every man put \$300 into the venture, every woman invested \$150. Some had mortgaged homes to do it, others had accumulated their savings from overtime work at renovating the mill. That was their capital: wealth saved for future production. As capitalists they expected interest on these invested savings.

But, as workers, these stockholders expected wages. Having their economics mixed they assumed that as capitalists they paid themselves wages, as workers. For they had joined a union which empirically declared that a certain rate of wages must prevail in the cooperatively owned Hancock Hosiery Mill (the new name of the plant in Philadelphia bought by the workers).

As stockholders they had accepted orders for 7,500 dozen pairs of hosiery a week, which would give them employment, as workers, for some time. Moreover, as stockholders, they got the best possible price, which, however, necessitated their accepting, as workers, wages below the union scale.

So, as union members, they ordered themselves to strike. The order to strike was issued by the president of the mill—a good union man who is a stockholder as well as a wage worker.

The five hundred workers-stockholders-unionists at last report were negotiating themselves out of the muddle. While negotiations were going on they received no wages as workers, no interest as capitalists. Indeed, their capital was wasting away. As union members they were required to pay dues, as citizens they were contributing taxes, and the rent bill on their plant and their homes continued to pile up.

We must not laugh at these hosiery workers. Their dilemma stems from the same muddled thinking that prevails among the politico-economists, bankers and captains of industry. For, underlying this thinking is the notion that capital—not hosiery—pays wages.

To Abolish War Make Peace Profitable.



# Gunter's Chain

By GEORGE B. BRINGMANN

The wind, chill from the north-east, was like a squealing litter of hungry sucklings squeezing under a fence rail. It souged through the tops of trees out of sight in the dark with the restless sob of a mad woman. It whined around casement and pane, stabbed its dank fingers through keyholes and struggled with mats near the sills. November was a bad month in London. And that night its worst.

Across the drear, whitecapped Channel two great armies in the fourth year of the Thirty Years War were laying waste much of a continent in the name of religion. Even now England's first James was vacillating between taking either side. Shiploads of Puritans already had found a new and freer land, for the foul breath of the intolerant mainland had settled as a miasmatic blanket over England. Merrie England. The England of Shakespeare but recently dead. The England of Bacon and Spenser.

In a bleak room high in the pile of the damp masonry of Gresham College labored Gunter, mathematician, master intellect. Rumpled and torn bits of foolscap littered the table at which he sat. His feet, numb with the damp, were unmoving in another heap of discarded paper. His hands were cramped and blue and the quill one held was waving erratically. He cursed softly, blew upon his hand a stream of hoar-whitened breath and again fell to scribbling. The candle in the storm lantern at his elbow sputtered and threw a black greasy smoke over the mica in the lantern window. To all this discomfort Gunter paid no heed, but brought his eyes nearer his work. Great was his purpose and great was his intellect, for Gunter, erstwhile student of Christ Church, Oxford, was a Professor of Astronomy at Gresham, though still a young man.

His back straightened. He sighed, exultant, pushed his chair away from the table and attempted to stand.

His insensate feet refused to bear the weight, but by good fortune he managed to grasp the edges of the table. For five long minutes he shuffled to restore a semblance of proper circulation, while his eyes grew feverish with the light of a success plainly seen. Gunter clutched a scrap of foolscap in his hand. "This I shall give to the world!" he told the jumping shadows in the grey room. "This I shall give to the world!" he repeated, chuckling. "It will make man more certain and more pleased with what is his because of its infallible accuracy."

He experimented with his feet, found they would support him, and tottered gingerly to the wall. Taking a six foot woolen muffler from a peg near the door he wrapped its warm folds about his throat and carefully overlapped the ends before buttoning his great coat. A tall gray hat, replete with spots from London window jettisons, he pulled tightly down to the back of his ears. "Now to Eric of Malmo." He opened the door and the draft from the stairs with a mighty puff blew out the storm lantern. Gunter groped his way through the dark and down to the door.

The wind blew his breath back into his lungs and made him gasp. Lowering his head he stepped out, leaning against the storm. Hard pellets, half hail half snow, rattled on his tall hat ere he had walked five minutes. He shrugged and became more dogged.

Few were the wayfarers of London's street at that hour. Once he stepped hurriedly into a doorway and held his breath while a band of homeless urchins in pursuit of a skinny dog raced past his hideaway. They were ravenously hungry he knew. Better they pursue the dog for food than molest him for alms or batter him the better to rob him of his purse. He made a wry mouth when he found his heart had followed them. He heard the shouts of the band announcing their success

and the final howls of the dog. He imagined he heard the gurgle of the beast and was compassionate, at the same time glad the gamins now would eat.

Boldly he took up his way. A window protested at its opening. Instinctively he stepped into a doorway until the sounds of a pan being emptied on the walk and the refastening of the window indicated at least temporary security.

For a full hour the squalor of his surroundings increased with each stride. When but another pace would be toward lesser poverty, he stopped before a door and knocked.

"Eric!" he called, and kicked at the door with his frosted toes.

"Yah? Who calls Eric at this hour?" came the thick-voiced answer.

"I, Professor Gunter. Open up and let me in!"

"Yah."

Gunter heard the sound of a bar being lifted from its socket and a thump as it was set against the wall. The door swung half open.

"Come in. It is cold. Yah?" The huge frame of Eric of Malmo stepped aside.

"Of course it is cold. Why bar a door? You have nothing to steal. Ridiculous!" Gunter complained.

"I have clothes. Some clothes. And it is cold and other people freeze." Eric's voice was harsh. "I am an outlander and fair game to my neighbors."

"Then you should have stayed in Sweden." Gunter was impatient.

"Yah. I wonder. But the war, it is reaching there. I do not like war."

"Nor do you care to freeze, in England. Nor starve. Well, you need not. That is why I have come."

"You have work for me?" The wasted frame of Eric straightened. Hope snatched fear from his heart. "Does the college want more hinges or some locks as only Eric, master armorer, can devise?"

"No. This work is for me."

"Oh. Perhaps a fine mesh waist-

coat to turn the knives of people starving in the streets? Or a sword to slay them? A dirk?"

Gunter looked sharply at his questioner. He had caught the bitterness in the man's words. More and more of the common people were talking like that. "No. Go light a fire and I will show you." Gunter took his precious sheet from a pocket.

"Show me," Eric demanded. "If I do work I must save fuel. The fire must wait."

"Light it anyway." Gunter placed a coin on the table. "That for fuel, work for me or no. I am cold."

"And I. But no, no fire. No alms. I only ask to work."

"Hmpf! Independent. Very well. Make this for me." He thrust the paper into Eric's hands. "It is a chain."

"I do not like to make chains. I have felt them." Eric stuck out his wrists. Great scars purple from cold circled them. "That is mine for working for the side which lost. No chains. Not Eric."

"Damn it, man. This chain is of a different kind. It is for the good of humankind," Gunter exploded.

"No chain is good for men." Eric's head shook stubbornly. "What is its purpose that men could not use it against each other?"

"You wouldn't understand. This chain must be of one hundred links, each link exactly 7.92 inches long. Exactly."

"Enough to hold a ship against the tide, enough to anchor it in the roughest sea. Strong enough to manacle three score men along its length." Eric snorted. "And you will use it for the good of man. A chain!"

"Eric, were there another man in all of London who could do as well as you, I would leave you to your opinions and your destination. But you must make this chain for me, Eric," Gunter wheedled. "You must." A tantalizing stream of gold poured from Gunter's left hand into the open palm of his right. He counted out six coins and put them on the table. In the yellow light of the candle

stub they shone orange red and added to the warmth of the illumination. Eric's gaze was fastened upon them. Shrewdly Gunter chinked more coins in his cupped hands.

"I will not do it." Eric hung his head and bit his blue lips. "I tell you I will not make your damned chain. No one can tell me that it will not bind men!"

"I promise it will not. Why not leave ethics to your betters. All you are interested in, or should be interested in, is when and how you will eat."

"To my betters! Have I not? Have my neighbors not? And do we not starve and freeze and bury our babies when the ground is soft enough for toolless hands to dig!"

"Eric, I promise this chain of mine will hurt no man."

"You promise. You! Yet you would give it to mankind. Will you live forever? Will not someone put your chain to different purpose. A chain! I hate chains. No chain will serve all people, or be just. It cannot."

"Chains are your unfortunate obsession. You are being foolish," Gunter assumed a paternal air. "This chain is a linear measure."

The Swede's eyelids flickered. "Measure?"

"Yes. More accurate than any method we have yet used." Gunter added one more coin to the growing pile. He could have saved it, for the wail of a child issued from the other room of the hovel. Eric's grandson, son of his daughter. He heard his daughter murmur to the child, heard her wracking cough. How sorry he felt that his loud speech had disturbed them in the only escape they had—sleep. He shrank in stature. Once more he was stooped and weary.

"I will make this chain." And Eric cursed as he swept the little pile of gold into his palm. Cursed at his want and his necessity. He glared at Gunter. "Chains, chains. I hate chains. They widowed my daughter; they crippled me. They have held down men and made them

slaves. Now I, Eric of Malmo, master armorer, make one. I, who love freedom!"

"This chain—man, how often should I say my chain is different. It is but a measure, a more accurate means of measuring."

"Measuring what?"

"Land. By this chain a man will know exactly what land is his and what belongs to another. I shall call it the surveyor's chain. New countries will be apportioned by it. And accurately."

"Chains," Eric cursed, this time in his native tongue. "I cannot see the evil of this I make for you, yet somewhere I smell injustice. Chains. I hate them. I know this one will hurt some, will kill many, destroy millions while doing its measuring. I know it. Know it because I feel."

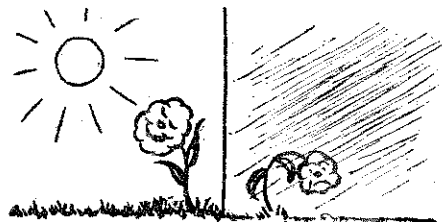
"Twaddle!" Gunter scoffed. "One of your Norse fairies is prattling. Feelings like that are for fishwives, not for Eric, armorer for warriors even now in Valhalla. I shall call in a week to see how you are getting on. Good night." He swung out the door and Eric barred it behind him. More reason now to bar the door.

With his back to the bite of the wind and snow, Gunter hastened to Gresham. In his soul that wind sang a paean of commendation for what he, Gunter, had done. But to Eric sitting by his newly made fire with his whimpering grandchild it howled mockery, and he was desolate.

"Chains, chains, chains," he muttered to the flames and shivered.

And the raw wind climbed an octave in its wail. To Eric like a million children, like ten million children entering the world at one great birth. Entering in chains.

Bleak was November in London. That November.



# Upon Which Mighty Empires Rest

By M. S. LURIO

In a preceding article, an effort was made to approximate the rental value of land owned by large industrial corporations. No direct figures are generally available. Consolidated balance sheets include an item which covers the cost of land and the improvements thereon, designated by some such term as "real estate, plant and equipment" or "property account."

Let's suppose that a corporation over a period of years has spent a total of one million dollars for real estate and equipment. The land does not wear out as the improvements do. Depreciation is deducted each year on that portion of the total which is calculated to be the value of the improvements. If, to simplify our example, the investment of one million was made ten years ago, and the improvements were considered to be worth \$800,000 and the land \$200,000 at the time of purchase, each year a deduction is made for depreciation of the improvements. Assuming an average depreciation rate of 5 percent a year, the annual depreciation charge is 5 per cent of \$800,000 or \$40,000. At the end of ten years, the books would show the item as follows:

Real Estate, Plant and Equipment	\$1,000,000
Less depreciation to date	400,000
Net Value, Real Estate, Plant and Equipment	\$600,000

Actually, the land may have risen in value to \$1,000,000, but it is not the usual practice to reappraise the value of the land and raise it or lower it on the books.

The problem is further complicated by the extremes of speculation and depression. At the very depth of a depression it seems as if all land is practically worthless. But this condition is no more abnormal and artificial than the values during the peak of the speculative boom that preceded it. Those who, in the very trough of a depression, are bound by leases or subject to mortgages created when values were at

their previous peak, cannot release themselves except by bankruptcy. The corporation that owns its land outright, however, is certainly in a much better position to withstand the ravages of hard times.

Hence in considering the rental or selling value of land in this connection, we must really think of a figure somewhere between peak and trough values.

In a growing community over a period of years total rental value

must increase, despite the fact that individual sites or mines or wells may have fallen considerably in value. Corporations owning properties that have been abandoned because their continued operation is unprofitable, usually write off such values from the property account.

Now for the actual figures of a few large corporations in different fields of industry.

The property account of the Texas Corporation is as follows:

		* * *	
Land, leases, wells and equipment	\$233,752,000.	Deprec.	\$44,106,000.
Oil pipe lines and tank farms	76,854,000.	Depletion	58,758,000.
Refineries and terminals	161,296,000.	Amortiz.	6,108,000.
Ships, marine equip.	51,142,000.	Deprec.	36,435,000.
Service station facilities and equipment	109,835,000.	Deprec.	80,607,000.
Miscellaneous property	2,969,000.	Depletion	205,000.
	635,848,000.	Deprec.	25,447,000.
		Deprec.	44,198,000.
		Deprec.	909,000.
			296,774,000
Total property account			\$635,848,000.
Depreciation, depletion and amortization			296,774,000.
Net property account			339,074,000.
(Depreciation, depletion and amortization for 1938 is \$24,946,000.)			
* * *			

Acreage of subsidiaries, exclusive of acreage held by companies jointly controlled with Socony Vacuum in South Amer-

ica and companies jointly controlled with Standard Oil of California in the Far East:

	Fee and Mineral Acres	Leased Acres	Total Acres
U. S.	807,635	7,209,150	8,016,785
Foreign	514,906	632,151	1,147,057
	1,322,541	7,841,301	9,163,842

(The Borough of Manhattan comprises about 14,000 acres)

7,380 miles of pipe lines, exclusive of pipe lines of other companies in which the Texas Corporation has an interest.

22 refineries in the U. S. and one in Europe; 258 bulk stations and 48 retail service stations. Others operated 1,234 bulk stations and 6,356 service stations. (This undoubtedly means that the Texas Corporation, in line with recent policy of all the oil companies, has retained title and control, but leased to others, the

greater part of its bulk and service stations. One of the very good reasons was to escape the chain store and social security taxes.)

In foreign countries other than Canada, Texas Corporation has 27 deepwater terminals, 67 bulk stations and 325 service stations. It lists 43 subsidiaries and finds it advisable not to disclose the names of 9 in foreign countries. An incomplete list shows in addition 20 affiliated companies.

You will recall that we used a figure of 25 per cent of the net property account as an approximation of the land value. It is more than likely that an appraisal of the land value involved, even today, would show a figure nearer 100 per cent of the net property account figure.

The Texas Corporation in 1938 earned about 29 million dollars before Federal taxes. This includes about 6 million from companies not consolidated, about 6 million miscellaneous operating income (not from sales of merchandise), about 2 million received "as income from sulfur properties operated by others," and over a million dollars in interest, presumably on securities and mortgages. Hence actual operating profit before Federal taxes is nearer 14 million dollars.

If we assume a land value of 25 per cent of \$339,074,000, or \$85,000,000, we get a figure of 8½ million per annum as rental value thereof (on the basis that rental value is 10 per cent of market value of land). It is more likely that the rental value is very much nearer the operating earnings of the corporation, despite advantages of patents, ownership of pipe line utilities and interests in foreign cartels.

\* \* \* \*

Let us now briefly summarize the report of the Borden Company. It has 23 subsidiaries and over 100 divisions and associated companies. In 1935 it reduced the par value of its stock from \$25 to \$15, creating an additional surplus of about \$44,000,000 against which was written off "good will \$6,999,999 and \$23,826,730 of unserviceable properties."

Even after this \$24,000,000 reduction in property, the 1938 statement shows the following:

Prop., plant & equip. ...	\$102,767,000
Less depreciation, etc. ...	36,961,000
Net property .....	65,806,000

Using a ratio of 25 per cent as land value, we get a figure of \$16,000,000. Rental value would be \$1,600,000 per annum on the assumption that rental value is 10 per cent of selling price. Actual earnings were near \$8,000,000.

Here again real land values may be three of four times the figure we have reached on our conservative basis. In addition we have the various milk control boards and health authorities cooperating as fully as they can to stifle competition in the industry. You must draw your own conclusions as to the percentage of income which is really ascribable to rent.

\* \* \* \*

Armour & Co. (Ill.), maintains meat packing plants "in virtually every important live stock receiving center in the United States and important cities in the world." About 100 subsidiaries are listed and over 200 branch houses. Its property account (October 29, 1938) is as follows:

Land, bldgs. etc. ....	\$137,200,000
Res. deprec. ....	43,947,000
Net assets .....	\$138,253,000

In this particular instance we find a very heavy funded debt and preferred issue of stock, so that the real owners of the land are the holders of its mortgage bonds and preferred stock. The result is that there were no earnings but a deficit in 1938.

The Company shows a net operating profit of about four million dollars before interest and dividends. After paying over three million in interest on its funded debt and \$2,800,000 to its preferred stockholders, there is naturally a loss. Rent in this instance is being collected by the holders of the prior issues.

In all the comments thus far, we have omitted entirely what every business would consider as a fair charge against income—commercial interest on the enormous amounts of cash invested in these corporations. Despite this omission, rent appears to be the major portion of the net income—of these companies at least. It explains their ability to withstand adverse conditions by applying their rent to the payment of labor and the replacement of capital, whereas the small company, which rents its property or has it heavily mortgaged, must fail when it cannot cover its rent bill, its labor costs and the cost of replacement of capital, to say nothing of interest.

The futility of anti-trust laws, of

the attempts at "pulverising" or regulating big business, is obvious. If the monopoly of land were eliminated, the prop that holds up vast monopolistic industrial empires would be eliminated.

## Still Fighting for the Kaiser

When Herr Hitler states that his people are crowded and must have more "living space," we in Canada (which has less than three and a half persons to the square mile) wonder just what there is in his argument. Official figures show that Germany has 361 persons to the square mile. The United Kingdom has 491; Italy has 344; The Netherlands 577; Belgium 698.

As to how Germany uses its "living space," we find, according to the 1938 statistical year book, that the total area, including Austria but excluding the Sudetenland, is 137 million acres. Of this, 82 million are cultivated; 7 million are in roads, parks, etc. Houses and courtyards take up 2 million, while 6 million acres are marsh and waste land. This makes up 97 of the total 137 million acres. The balance of 40 million acres is **uncultivated forest**.

240,000 acres of this unused land belongs to the ex-Kaiser, the largest private landholder in Germany. Sixteen former noblemen own from 60 thousand to 75 thousand acres each, a total of nearly 1½ million acres. More than two-thirds of this is uncultivated land.

The taxation system of Germany is based on the yield or income value of land, not on its rental or market value. These 40 million acres of idle Germany therefore bear only a very small proportion of the extremely high tax burden borne by the population in general. Therefore, Germans are locked out of this vast empire within their empire.

Fighting for "living space," while the ex-Kaiser holds 240,000 acres and sixteen other men have nearly 100,000 acres each (mostly uncultivated) and while other owners control thirty-eight million acres (entirely uncultivated), seems senseless.

The German people should be fighting for their own land!

MARGARET BATEMAN

# Against Brinking and Hell-Warning

## A Sermon

By JANET RANKIN AIKEN

There is no word in the dictionary for what I am denouncing, but I have made up two, and you may adopt either you please. Named or nameless, the thing definitely exists and needs to be preached against.

My latest encounter with it was the other night, when I sat in the midst of a large assembly of comfortably dressed, happy-looking people who were listening to a series of splendid speeches about the principles of Henry George—splendid, that is, except for the brinking one or two speakers indulged in.

We are (said one of these speakers in effect) right plumb on the brink of the awful precipice. The turf is crumbling beneath our feet. The abyss is yawning to receive us. Carcasses of dead civilizations dot the horizon in all directions. We too are goners unless we can perform the considerable task of making the world Georgist overnight. Hurry, hurry, all of you (except the Ph.D.'s of which I hope there aren't any here) and rally round to save our civilization from joining those of Nineveh, Tyre, and the rest.

It was very effective hell-warning he did, and I believe it might have scared a few of the audience more if it had not been followed by some classic hell-warning, from the pen of Henry George himself, dated over half a century ago. That reassured the audience that they would at least have time to go up and eat a dish of ice cream before civilization fell. So they did.

I am by no means trying to belittle the speakers at that very inspiring gathering, or the magnitude and seriousness of the social problems which are to be solved. But I want to suggest that this ruin-brinking and hell-warning is not what a later speaker called "keeping our amateur standing." It is bringing us perceptibly closer to the state of demagoguery, a state where we do not belong.

When anyone is in a hurry, watch out. He is probably trying to put something over on you. Just yesterday a man called me on the phone and said he was Henry Gorham of my old home town, a carpenter with tools in hock, and in need of \$8 to get them out and take a job in another town. He was in a hurry too; he must have the money by 6 p.m. So I asked him a few questions about my old home town, decided he was not Henry Gorham, and saved my money.

The Georgist principles have plenty of time to grow and spread, just because they are true, and truth is the only thing that can afford to wait. A lie has to be immediate, or it is seen through. The Georgist is occupied in the leisurely task of puncturing illusions.

In the long passage up out of the animal into the semi-human, people have had to learn to see through certain illusions, especially the illusions of the near-at-hand and the common-observation. Railroad tracks do not come together at the horizon. The earth doesn't go round the sun. It isn't the same time of day everywhere on earth, and people in Australia don't walk upside down.

These are a few of the comparatively easy illusions which men have mastered. And the great and satisfactory thing about them is that once they are explained away, it is impossible to be deluded by them any more; they are gone forever. Moreover, it doesn't take a law, or an election, or everybody in a country, to establish the truth about parallel lines or the fact about the sun. Once anybody sees it, everybody can see it, and eventually everybody does. All it may take is a little time, and time is what society seems to have plenty of.

Now it is undeniable that the illusions which the Georgists sees through are more numerous and somewhat more opaque and hard for

many people to recognize as illusions, than the fable connected with the name of Galileo. There are many of these social illusions spread abroad in people's minds. Among them are the illusions that scarcity makes wealth, that population makes poverty, that capital rules production, that slavery is efficient, that war is more manly than thinking—all of these beliefs widely held and practiced today, and not only practiced but—after a fashion—actually proved in practice, just as you can see the sun go across the sky. Slavery is efficient—look at Germany! Population does make poverty—look at our city slums!

To see through these illusions does not require intelligence (now that someone has done the pionering) so much as it requires a mental receptivity, a willingness to lose one's illusions about economic matters. Hence, to increase receptivity is the real job we have to do. How may this job best be accomplished?

Not by hurry, and not by ruin-brinking and hell-warning. Good temper is absolutely necessary, and it is heartening to see the prevalence of this contagious and therapeutic quality in the HGSSS. Quick wit is needed, but most of all is the elusive thing our director called "amateur standing," the refusal to fight illusions with hate or resentment or worry or fear.

One of the trustees of the HGSSS said that when we first hold a Commencement in Madison Square Garden, the price of land in New York City will automatically begin to fall. In that simple statement lies the key to our strength. It doesn't take demagoguery to put over truth. It takes active effort, certainly, and we certainly owe endless appreciation to the Disillusionized who are giving so generously of their time and funds to the School. But as for brinking—let's drop it!

# Memories of Henry George

By HAMLIN GARLAND

More than forty years have passed since I first took up the little paper-bound edition of "Progress and Poverty." I am one of the veterans of the Anti-Poverty War. I was living in Boston when I first gave an open allegiance to the cause. Although I had been converted to the theories of "the prophet of San Francisco" while living in Dakota, I had said little about it. It wasn't as easy to be a "George man" in those days as it is now, not even in Boston where radicals abounded. I had been several years in the East before my conversion from a passive disciple to an active advocate came about. My change of attitude was due to hearing the Prophet himself.

As this was one of his first appearances in Boston, and for the further reason that it took place in a most historic spot, I must describe it in detail. It was, as I remember it, a dark rainy autumn day, and the place was Faneuil Hall, cradle of liberty, and as I entered it, I recalled one by one, the splendid warriors for the rights of man, whose voices had echoed from its walls. I thought of Wendell Phillips, of Ralph Waldo Emerson, of William Garrison, of Theodore Parker, and many other of New England's militant liberty-loving citizens.

From my seat in the narrow gallery, I looked down on the broad central floor of the Hall (in which no seats were allowed) paved with a closely packed mosaic of derby hats and rough coats of all shades of black and tan. It was evident even to my inexperienced eyes, that this was a crowd of working men, to whom the name of Henry George was at once a challenge and a hope. Many of them were Irish, for George had already served sentence in an English prison for speaking his mind about the private ownership of the earth, and all of us knew that whoever else this man might be, he was not a self-seeker, and this belief in his sincerity rendered us keenly eager to see and hear him.

My brother was beside me, and to-

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We reprint this article by the eminent author, whose death occurred last month, from *The Libertarian*—"A Southern Magazine Upholding the Principles of Liberty"—November, 1925.

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gether we hung over the rail with such intensity of impatience as only Edwin Booth could call from us. I had a dim feeling that the moment was historic. At last, a bustle at the back of the platform announced the coming of the speaker. A little group of men entered from the back and took their seats on the platform. Among them was a short red-bearded man of dignified demeanor and keen glance. The noble lines of his head distinguished him. With a pale face, lips tense with emotion, he waited through his introduction. He was as eager to speak as we were to hear him.

At last the presiding officer finished, and the man of the hour stepped forward and the old Cradle of Liberty rocked with the applause of men who had caught, vaguely at least, the far-reaching importance of this man's presence. As we cheered, he began walking up and down the stage, his eyes blazing with the mounting emotion of the orator, the line of his lips, the clench of his hands predicting storm.

He was in the prime of his life at this time, alert to every remotest brain-cell, with all his marvelous store of experience and reading and deduction at his tongue's end. He expected opposition. He was used to it. He confronted an audience as a trained gladiator enters the ring, knowing well that ruthless opponents awaited him.

His first words profoundly moved me. Coming after the applause, following the tense tiger-like movement of a moment before, they were surprisingly calm, cold, material and direct. Action had condensed into speech.

"This man has himself in hand after all," I thought. "His heat is transformed into light."

His words were as orderly as those of a man writing with a pen. They had precision and grace as well as power. He spoke as gifted men write, with style and arrangement. His address could have been printed word for word as it fell from his lips. This self-mastery, this graceful lucidity of utterance combined with a personal presence distinctive and dignified, reduced even his enemies to respectful silence. As for me, I forgot everything, forgot where I stood, in my devouring interest.

His gestures were few and constrained, but his voice was resonant, penetrating, and flexible, and did not tire the ear. Its cadences were colloquial and pleasantly dramatic. He was an orator and a great orator though not as other men are orators. He had neither the legal swagger, nor clerical cadence; he was vivid, individual and above all in deadly earnest. He was an orator by the splendor of his aspirations, by his logical sequence and climax, by the purity and heat of his flaming zeal. I count that speech among the greatest influences of my life. I left that hall a disciple.

The following night as he stood on the platform in the Globe Theatre facing two thousand people, I heard him to still better advantage. His lecture was called "Moses and the Land Question," and again I acknowledged the far-reaching power of his logic. He was more of the scholar than the orator in this address, but when, occasionally, he put down his manuscript and addressed us directly, pacing back and forth along the footlights, I rose on a wave such as no other speaker had ever roused in me. He filled my mind with pictures of a land of peace and plenty toward which we were marching. His utterance and his manner so impressed me I said, "Here is a man who by all the laws of thought and sincerity may be called a poet."

When I saw him next, some months later, he stood on a platform of Tremont Temple facing a still

larger audience. Again he was forced to wait, while the people thundered applause. Again he marshalled his facts and his figures, and drew his deductions against our feudalistic system of land-holding. Again he pled for wronged and cheated men, and on his fine forehead came the pitying lines of one who suffered as Christ suffered, for those who were hungry and oppressed. He brought a new conception into the hearts of those who listened, a disgust with things as they were, and a burning desire for the happier order which he so eloquently foretold.

He finished his main address, and before his voice had died away a dozen men were on their feet all over the hall, eager to confuse him before his converts. The chairman, powerless to manage these shrewd and disputatious opponents, shrank back appalled, but George came to the front of the stage, and in a voice clear and cutting as steel, called out, "Sit down. You can't all speak at once." And then pointing to a man in the gallery he said, "Go on, Sir, what is your question?"

The question being repeated, George answered it in a sentence and levelling his finger at another opponent called out, "Now your question, Sir?" One by one his hecklers fell. If a questioner haggled or started to argue, George stopped him. "Your question, Sir!" If the man could not frame his question, George did it for him and asked, "Is that your question?" "Yes, that's it." "Very well, the answer is this." He was superbly combative, but patient of genuine doubt.

Later I came to know him in his own home in New York City; a modest home even to my inexperienced eyes, but in it every Sunday afternoon and evening, some of the best known reformers of this country and the old World assembled. No "crank" visitor from any country in those days left New York without seeing Henry George. He was one of the city's celebrities.

Fearless as a lion when combating in public, he was the gentlest of men in private life. His low voice, his cordial eyes, his smiling lips disarmed his bitterest enemies. He made little of wealth or social dis-

inction in his callers and recognized no lines of class or creed. In the peaceful, homey atmosphere of his East Side house, it was difficult to imagine that he had been twice thrown into prison for his disturbing speeches and that he could hold an

audience of five thousand people in the clutch of his small right hand. It was entirely natural that I, possessing his friendship, should become each day more profoundly committed to the great reforms which he so boldly and unselfishly embodied.

## Garland, Markham: *Ave et Vale*

Two outstanding figures in contemporary American literature passed to their rewards early last month within a few days of each other after long and distinguished careers. They were Hamlin Garland, the novelist, and Edwin Markham, the poet.

With Herbert Quick, Brand Whitlock, Newton D. Baker, William Lloyd Garrison the younger, William Marion Reedy, Bliss Carman, Luke North, Edmund Vance Cooke and others now gone, as well as a few happily left among us, they were part of that group of men of letters and public affairs of the first decades of our century who fixed new roots in our soil for the true humanism of the Georgist philosophy.

Garland was born on a farm in a newly-settled section of Wisconsin 79 years ago and was brought up in Iowa, whither his family had moved seeking a friendlier and a more fertile soil. He abandoned a land claim in the Dakota Territory to pursue the life of an intellectual in Boston and New York; but the stories that he was to tell, while a nation listened eagerly, were not of the bohemian circle of the cities—they were sagas of the folk who knew him as "A Son of the Middle Border" when he too was eking an existence on the American frontier.

Markham, "poet laureate of labor," was born in a log cabin in Oregon 87 years ago and before he dabbled in poetry, before he etched the unforgettable figure of the "Man With the Hoe," he had been a sheep herder, farmer, blacksmith, cowboy and school teacher.

The world honors Garland as a story teller, Markham as a singer of folksong, and rightly so, for they lived in an era of a few peers. But more than a storyteller, more than a singer of songs is lost to us who seek the liberation of the free spirit of man in a free society; for in this they were our comrades. And in this by their work, by the testimony of their lives, they still fight on beside us.

The attitude of Markham, whose baccalaureate sermon at Stanford in 1897 was on "The Social Conscience" and whose recollections of his early privation aroused his keen interest in social problems yet did not embitter him, was typical of both:

"I am neither an economist nor a politician. In my writings I have only attempted to depict life as it appears to me. If they disclose there is something wrong, that is as much as can be expected of them."

To the company of the immortals, which they will grace, we yield our brothers; let Garland's memories of Henry George, our teacher, be their epitaph among us.

WILL LISSNER



# A Rich But Bankrupt Nation

By W. D. HOFFMAN

Debt as a factor in the depression, is the subject of an interesting study made by the Public Affairs Committee of The Twentieth Century Fund. It is pointed out that not all debts are bad, some forming a beneficent part in financing, but debts as a whole "can raise hob within our economic structure. This is particularly true in a depression. Debts also create havoc in a boom," encouraging obligations that later cannot be paid when deflation comes.

**In Debt—Good or Bad?** By Maxwell S. Stewart, we learn: "When we count up the total of all our debts we find that they come to the huge figure of two hundred and fifty billion dollars. Our total national wealth before the depression was only three hundred and sixty billion dollars. When we compare these figures, realizing that our national wealth fell sharply during the depression, it is easy to conclude the burden of debt is too great to be borne by the property on which it is based. This, however, is being a little too hasty. Much of the 'property' on which debts are secured is itself debt."

What a man owns depends upon how clear his property is. Some who live in mansions may own less real estate than others in humbler homes, depending on the debt. Travelers crossing America for the first time are impressed with the richness of the country, its fertile soil, livestock, timber, mines, water-power, oil, railroads, its cities that scrape the sky. It is an exceedingly rich country sparsely settled, comparatively. There is enough here for all, and to spare. But just how much of this the population owns raises a vital question.

The proportion of the citizens who possess physical America is small, and the extent of clear ownership even smaller. Much of it is mortgaged to the future, to many who will have had no part in creating what will come to them. Much is

mortgaged against the future, so that children unborn will have to work to pay off debt in the creating of which they had no voice.

All America is divided into three parts—the physical continent, man-made wealth, and people. Close examination will show that most bad debts arise from overcapitalization of the first named.

It was President Roosevelt who made the defense of debt, governmental in particular, on the ground that what is owed is domestic, owed to Americans as well as by them. This is the ablest defense of debt that can be made. Because debts are offset by credits it assumes we are no worse off for debt, since one man's loss is merely some other man's gain. Losses by debt are thus neutralized by the gains. This alluring picture leaves out of consideration the identity of the borrowers and the collectors. The collectors are not the masses. They are, in the main, the already rich. In times of stress the money-lender is always the one in a secure economic position. The average man and the poor are the chief borrowers. Thus debts make for growing wealth concentration in the hands of the few. Each succeeding depression forwards this process of making the rich richer and the poor poorer. Borrowing is costly, especially in hard times, when excessive interest can be exacted through necessity.

Thus debts are not offset by equitable liquidation for two reasons: 1. They siphon the wealth off into the hands of the few. 2. They are instruments of extortion through spurious interest.

"Study of the income tax statistics," says the Public Affairs Committee, "suggests that most of the debts to individuals are owed to a relatively small number of well-to-do persons."

The billions poured out by the government to rescue banks, railroads, building and loan companies, mortgage holders and agricultural

interests have only postponed the evil day of final settlement. Equally involved are mortgaged farmers and home owners. The latter, according to the Public Affairs Committee, "are by no means out of the woods yet. The combination of low rents, high taxes and high repair costs leave them in a precarious situation at the present time . . . Removal of the moratorium laws might produce a new crisis."

With the nation in debt up to its ears, private and public debt at new highs, the conclusion is forced that our security is threatened more from within than without. Debt is only a symptom of what has been going on, a result and not a cause. Growing wealth concentration has left the masses more and more impoverished, increased unemployment, reduced purchasing power and placed the nation on an economy of scarcity and decreasing production. If there was ever a time in our history when production should be encouraged and the nation's wealth increased, it is now.

Debts spring normally from the need for goods or capital before they can be paid for. In a monopoly-free society the need for creating debts for such purposes would fall to a minimum because both goods and capital could be had more readily by exchange of wealth which all who work could produce. Debts spring abnormally (as now) from the speculative excesses and overcapitalization of land, and from distress borrowing due to economic paralysis. Such debts are a barometer of the unbalance between human need and ability to buy. Abundant, widespread production is the only final solution, and that cannot come until the people are able to buy the product. They must do this buying, not with funny money, but with wealth, of their own creating. Buying is actually only an exchange. But before the masses can produce the wealth (their only real purchasing power), they must have access



to its source—natural resources now locked up and held either completely out of use or at an extortionate price in the form of rent.

Is the nation bankrupt? No. The millions may be bankrupt and impoverished, but vast wealth remains—and vast resources. Man power and the raw materials of wealth can be wedded at any time our intelligence rises to the task. As for the govern-

ment itself, it can always repudiate. It retains the taxing power to take what it needs. In an emergency such as war it would probably do both. In spite of bits of paper that render the economic structure insolvent in a bookkeeping sense, the nation remains potentially rich. Intelligent statesmanship, without waiting for war, could solve the problem now.

Debt would become negligible in

an economy in which wealth was freely obtainable by working for it. Debt becomes acute when business and labor are constantly driven toward bankruptcy by the all-the-traffic-will-bear charge for access to physical America. The first step calls for a reversal of governmental policy that permits the withholding of natural resources from productive uses.

## Impoverishing Our Friend, The Farmer

By HARRY GUNNISON BROWN

The New Deal has carried further than it has ever been carried before in this country, the principle of taking from one class to give to another and then taking from the second class to give to the first. One of the interesting examples is the effort to benefit farmers at the expense of wage earners, through making farm products more scarce and expensive; accompanied by the effort to raise wages forcibly through the wage-hour law.

The wage-hour law is not intended to apply to farm labor. The farmers have many votes. They are pretty well organized. They have an effective lobby. And so it was to be expected that farm labor would be—as it is—specifically exempted from the wage-hour provisions. A farmer can, so far as the new law is concerned, hire men for as little as one cent a day and work them for as long as twenty-four hours a day. This, of course, cannot actually be done, but legal prohibition is not the reason it can't be.

However, the requirement of forty cents an hour in mining, manufacturing, etc. (for the present twenty-five cents minimum rises automatically within a few years to forty cents) must tend, unless offset by inflation or by increased productivity of labor, to decrease employment in the lines where it is enforced. Thereby the law will tend to restrict output and raise the prices of the products of these industries, to the injury of the farmers who must buy such products.

But some of the farmers may be injured in another way. True, the high wages required in manufacturing and mining, by forcing some workers out of these lines and into agriculture, may make even lower than before the wages at which the owners of large plantations and farms can secure hired hands for their work. And especially is this the case since limitation of output in several lines of agricultural production, under the Agricultural Adjustment Act, decreases markedly the opportunities for jobs in these limited lines, and so compels would-be agricultural workers to bid against each other for jobs even more desperately than under normal circumstances. In so far as more labor is thus made available, at lower wages, for the lines of agriculture not being restricted in output such as the production of sugar, cabbages, radishes, carrots, peas, beans, onions, celery, cucumbers, citrus fruits and other fruits, there tends to be a clear and net loss to many small farmers. The resulting crowding into these lines of men who cannot get work in other lines, must operate in the direction of increasing agricultural products of these kinds and of lowering the prices of such products. And the reduction of wages which must be paid to agricultural labor, is certainly no advantage to small farmers who hire no labor but who work their farms alone or with the aid of their sons. The lower prices of the produce they sell can do nothing for such farmers except to reduce their incomes.

Or, will we avoid this unfortunate consequence to small farmers, by permanently supporting in idleness or in relatively useless work, the (possibly) millions of unemployed whose jobs we take away from them through our wage-hour laws and our agricultural "relief" acts? And who will do this supporting?

### Hair Splitting

Land:—The material universe outside of man and his powers.

Labor:—Man's exertions in the production of wealth.

Wealth:—Produced by the application of labor to land.

Question:—If a woman cuts her own hair and sells it, is it wealth?

### Unbreakable Law

Who can doubt that there are natural laws in the social and economic as well as in the physical worlds and that these cannot be overridden without courting disaster? The law of supply and demand, for example, cannot be thwarted by governmental price-fixing or even by experiments with the currency. Those who bite on that rock are sure to break their teeth. Just as incontrovertible is the axiomatic truth that men live in this world only by exchanging their labor, or the fruits of it, for the labor and the products of other men.

Wisdom in government, I submit, consists in discovering these natural laws and following them—not in devising hasty expedients whereby they may be circumvented.—

JOHN W. DAVIS

## The Book Trail

SIDNEY J. ABELSON

I am becoming bored, but not dismayed, by the necessity of reiterating an inordinate number of times certain economic fundamentals. Thus, when an author asserts that "hereditary transmission of wealth inflicts more injustices upon the community than inequality of opportunity," I am moved to say, "All right, let's start all over again: Where does production begin?"

The quotation is from Gustavus Myers' *The Ending of Hereditary American Fortunes*, (Julian Messner, Inc. \$3.50) a book which is well worth reading for the material it provides in substantiation of those evils which flow from great and unfairly gained fortunes. As a review of these evils and of the efforts made to combat them through inheritance taxation, this volume is excellent. But it should be read with a critical eye.

It is the unfortunate tendency of all books which focus attack on one phase of economic evil to make it appear that that phase is the colossus of them all, and to rectify it would be to bring harmony into the social order. The interrelationship of one evil with another is insufficiently stressed; while, at the same time, the basic evil is overlooked altogether.

It might seem to one unacquainted with economic fundamentals that Mr. Myers' impressive catalogue of hereditary fortunes furnishes a clue to solution of the problem of poverty; and hence it becomes necessary to point out that if all the wealth of all the millionaires were confiscated at their demise the aggregate accumulation would make not so much as a dent in the obstinate problem before us: men live, not by the symbols of wealth as recorded by auditors and Treasury Departments, but by the production of wealth—and production begins on the land and not in legislative halls.

\* \* \* \*

Norman Thomas is, to the best of

my knowledge, a man of deep sincerity and earnest devotion to the cause of social betterment. Yet like the rest of us, he apparently enjoys his little joke once in a while, though one would hardly expect him to be jocular about so serious a question as war. It is a grim sort of joke he tells, too, perhaps unconsciously, but joke it is nevertheless.

In an introduction to his *Keep America Out of War: A Program* (Stokes, \$1.50), written in collaboration with Bertram D. Wolfe, the authors write: "The Governing Committee of the Keep America Out of War Congress includes men of every religious faith, Catholics, Protestants and Jews; men of every political tendency (except Stalinist and Trotskyist Communists and Nazi Bundists); men, in short, of every creed, color, condition and philosophy of life. Yet we have all found it possible to work together in this common cause." (Emphasis mine—S. J. A.)

This, I submit, is grotesque and macabre humor. Mr. Thomas glories in the fact that peace loving people have banded together to promote peace, certainly a worthy enough cause in itself; but he fails to explain how in the name of logic peace can be obtained through negotiation if those who are resolved on making war are not included in the negotiations. Precisely those elements pledged in word and deed to obtain their demands by might are the ones excluded from the Conference. Even peace societies cannot induce footpads, thugs, burglars and cheats to sit down to counsel with their victims.

Now all—and more—of what Messrs. Thomas and Wolfe have to say about the bloodstained history of The British Empire is true, yet this history does not explain the facts of the present situation. England, it will be recalled by those whose memories are not too short, was zealous in the desire to settle international problems by negotiation, as witness the Munich Pact, a deal generally considered shameful, not because England refused to negotiate but because she did negotiate in order to avoid war.

As far as American sentiment

goes, it is overwhelmingly against war, and this preponderance would be sufficient to keep us out of the struggle if that choice were left entirely to our desires. But on the international scene there is no such guarantee.

It would be enlightening to have the authors of *Keep America Out of War* explain the connecting logic of these three passages: They endorse the proposition that "we move toward a planned collective economy with as little violence and as much democracy as the circumstances permit." Later on they write: "We forget that means and end are inextricably one; that the road followed is determined not solely by the goal announced, but by the actual steps taken in the effort to reach that goal; that the means chosen tend in large measure to determine what end will actually be achieved," and then that "the Russian Revolution must have taught all those who are capable of learning at all that a socialist society is inconceivable without freedom and democracy, which are integral to the socialist goal."

How much is "as little violence and as much democracy as the circumstances permit"? Obviously, only as much as is exigently permissible, and "quick transitions" being what they are, this is not likely to be a full measure. But if means and end are "inextricably one" it would seem that by the authors' own logic the socialist goal embodying freedom and democracy is doomed to failure, for the means which condition the end are, in their own words, to be limited by what the "circumstances permit."

\* \* \* \*

**Marxism: An Autopsy**—By Henry Bamford Parkes. Houghton Mifflin Co., Boston. \$3.00.

The persistent acceptance of a mythology long after its fallacies have been exposed, constitutes the most difficult obstacle to any movement for genuinely desirable and basic social change. Decade after decade, the thrice slain must be slain again.

Dr. Parkes, in dissecting the body of Marxian dogma, follows in the footsteps of Boehm-Bawerk, Max Hirsch, Ludwig von Mises, et al, and performs for us this oft-repeated but

essential service. Clearly, simply, effectively, his accurate scalpel lifts the rosy-looking skin of the collectivist robot and lays bare the decay and death within. Recent happenings in the world of political events should convince the pinkish intellectuals, to whom this work is evidently addressed, that the beautiful and life-like figure they have been flirting with is really the corpse upon which Dr. Parkes has performed an excellent autopsy.

This book is additional evidence of a deepening conviction that a society of free men requires for its foundation that perfect democratic institution, the genuinely free market. Dr. Parkes, to his credit, is wholly concerned with achieving and then maintaining it, and in his quest for the appropriate means stumbles on important truths.

"Meanwhile, taxation of land values should similarly destroy any kind of unearned increment accruing to owners of real estate. Rent differentials represent a genuine economic cost; to erect a building in the middle of a city ought, on economic grounds, to cost more than to erect one on the outskirts; but it does not follow that this cost should become a profit for private owners instead of for the community as a whole." (Emphasis mine.)

It is the word "similarly" in the foregoing quotation which indicates that, despite the conclusive "*coup de grace*" Dr. Parkes has administered to the collectivists, and his recognition of the unearned nature of land rents, he is still only stumbling.

Our author adopts the thesis of John Maynard Keynes that depressions are due to excess of savings over investments. This results in a fall in the general price-level, with the consequence that in the monopolized sectors of our economy, prices, instead of falling as they do in the other sectors, are maintained at a high level because the monopolists are able to curtail production. Unemployment follows, demand shrinks, there is a further decline in competitive prices and a further restriction of production by the monopolists; and then we find ourselves right in the middle of a depression. Dr.

Parkes proposes to prevent these recurrently destructive phenomena by guaranteeing to every worker, through legislation, a property right in his job. (This of course doesn't tell us how to get our present unemployed back to work.)

If the first obligation of the corporate directors is to maintain full employment, even at the expense of profits, obviously the men employed will continue to turn out at least the usual quantity of goods and services, despite the fall in the price level. With production thus uncurtailed, there can be no disproportion between prices in different sectors of the economy (save as these differences reflect legitimate variations in the intensity of consumer demand), and hence, relative prices will actually be the same, and real wages and incomes remain unchanged. The social appropriation of economic rent thus serves merely to destroy unearned incomes even in times of full employment, and its real significance is entirely overlooked.

Dr. Parkes is vaguely aware that excess savings, if they really occur, are the result of excessive speculation in securities based largely on monopoly privileges and land values, but he seems unaware that the collection of economic rent, by making such speculation unprofitable, would also make excess savings impossible. Admitting however, for the sake of argument, that excess savings are the cause of depressions, it can still be demonstrated that the full taxation of land values, the abolition of tariffs, and the elimination of patent monopolies, would achieve the results desired by Dr. Parkes without creating property rights in jobs. For these measures would restore perfect balance to the market economy by preventing unjustified disproportions between prices, destroying all unearned incomes, providing genuine equality of opportunity, assuring utilization of natural resources at their point of highest productivity, and maintaining full employment by the mere fact that competition among workers for jobs would be replaced by competition among employers for workers.

The fall in the general price-level, heretofore so mournfully anticipated as inevitable in its evil consequences, would become a phenomenon without significance, save perhaps in certain debtor-creditor relationships. But what is most important, employers would still be free to choose and dismiss their employees without recourse to a governmental arbitration board, the mechanism proposed by Dr. Parkes. This mechanism is fraught with all the possibilities of bureaucracy and tyranny that Dr. Parkes so clearly realizes are the result of governmental interference with the automatic functioning of the free market. And the raising of the margin of production, would, all possibilities of wage-work being barred, enable any worker to live decently through self-employment.

**Marxism: An Autopsy** is indispensable to all who believe in a free society. It provides a magnificent arsenal for the destruction of the ideology of collectivism. The Marxist conceptions of history, economics, philosophy, and cultural evolution are subjected to a deadly attack that results in their utter annihilation. Perhaps, ultimately, Dr. Parkes will repudiate his own necessarily bureaucratic remedy and will realize that the adoption of the Georgist measures must result in a freely cooperative society in which the labor, the control, and the ownership of industry will cease to be divorced.

M. J. BERNSTEIN

## Books Received

**What Will Social Security Mean to You?** By Bion H. Francis. American Institute for Economic Research. \$1.00.

An interpretation and clarification of The Social Security Act.

\* \* \*

**State Supervision of Local Budgeting.** By Wylie Kilpatrick. National Municipal League. \$1.00.

An exposition of the case for state control of municipal finance.

\* \* \*

**The Economic Geography of Barbados.** By Otis P. Starkey. Columbia University Press. \$3.00.

A study of the relationships between environmental variations and economic development based on data of the island of Barbados.

## Letters to The Editor

### New Westminster Still Struggling

The Council in New Westminster is wrestling with the assessment for this year. They need more money and there is always a danger of reverting to the taxation of improvements, but some of the Councilmen have promised that they won't do so without taking a plebiscite on the question.

I think that the people would vote against that, as every plebiscite taken in British Columbia in the past has gone that way by large majorities. So they are desperately trying to increase the assessment on Land Values. The new assessment is now 75 mills on the dollar and looks very high; but if they would assess on the gross value instead of the selling value more revenue would be obtained at a lower mill rate. . . .

They charge very high profits on city-owned water and light and this, they admit, is frankly taxation.

I am confident that if we had direct legislation we could carry forward the principle, but as things are now, our side is discouraged and inert, while the land boosters are wide awake and quite unscrupulous.

The Liberal Party promised us a direct legislation law long ago, but when they brought it down the initiative petition required the signatures of 25 per cent of the voters. This made it inoperative.—Alexander Hamilton, Victoria, B. C.

### No Step-by-Stepper

In Britain the hopeless confusion of thought caused by the befuddling "Taxation of Land Values" approach to that problem of problems—the equitable distribution of wealth—has for 50 years visited a disastrous and paralyzing handicap upon all efforts to secure economic justice in social relations. Let us on this Continent get this now well-proven fact straight and clear in our heads: taxation of land values, value basis, leads away from and not toward the restoration of rent to its creators, the general public.

What sense is there for us here in America to continue the ostrich-trick, when the bitter, fruitless and heart-breaking experience of Australia, of Britain, of South Africa and of Canada over a long half-century shows well the utter futility of the fiddling "tax" approach to this clear-cut and now critical question in social equity?

Can we not see that to propose to "tax" land value makes us at once accessories to the rent robbery, because it places us in the position of admitting

that the landlord "owns" that value—and places us in the impossible and invidious position of compounding a felony? . . .

The way in which the bedeviling step-by-step idea has, as it were, "tied a tin can" to the chance of progress toward rent-restoration in Canada, has never been written up, but the debacle in Australia has been well-described by Mr. F. T. Hodgkiss of Melbourne, in his lucid pamphlet: "The Example of Australia." His unchallenged portrayal of the chaos now obtaining "down under," makes clear how utterly fallacious is the mare's nest of partial taxation, based on capital value. He sees a bare chance of success for the partial tax plan if based on full annual rent value, but even here he feels that "the juggling, devious devices of politicians" would be so sure to wreck the scheme that he finally comes out for "the definite, direct plan of collecting all the ground-rent at one stroke—with the coincident abolition of all taxation."—J. R. Dickson, Ottawa, Ont.

### Instructs Ye Editor

The Editor of a prominent weekly writes: "The Georgean view is too simple to convince those who are immersed in the complexities of economy." I wrote him: "I think the reason is that George deals with political economy, the production and distribution of wealth, whereas the thought of those immersed in the complexities of economics is jumbled with the technicalities of business and exchange. This confusion is the more liable because both sciences use the same terms for different things. . . ."

"The Editor also says, 'Exploitation is not based exclusively in the ownership of land.' Yes, government shares in the exploitation by granting special privileges, not only by legalizing the exploitation of land but in other ways. The only cure is to untax labor and not to let people own land, with the privilege of extracting wages from labor in the form of rent, but to occupy land and pay the community for that privilege according to the land value, a true equalization fee. . . ."

The Editor replied that my letter had been profitably discussed in his office.—Dr. Royal E. S. Hayes, Waterbury, Conn.

### Tres Charmant

Congratulations on the November number of *The Freeman*. Yes—November; the mails are slow nowadays and it is the last I have received. I like very much John C. Lincoln's "This is our Job." Please offer him my compliments.—Charles B. Going, Cassis, France

### Explain, Mr. Hoover

Since Herbert Hoover suggested in a broadcast that the great frontiers of science gave ample promise of employ-

ment to the youth of the present ages, would he be good enough to explain:

1. How scientific research may be carried out without laboratories and equipment?

2. Where laboratories may be situated, except on land?

3. Where materials for equipment and buildings come from?

4. Just how and where land (for building sites, exchange centres, or the extraction of raw materials) is to be had except from those who have monopolized it, at whatever tribute they demand?

5. Should God in His great goodness cause it to rain ready-made shelter and clothing and food, or ready-made tuition fees and college laboratories, who beside the landowners would reap the benefit?—Ethel Lyman Stannard, Hartford, Conn.

### How Do You Vote?

In each issue of *The Freeman* there are short articles—notably among the "Freeman Views the News" which could be reprinted as stuffers. I rarely send a letter without enclosing a stuffer, and I am finding good ones scarce. There must be hundreds of Georgists who follow this method of advertising the philosophy.

It might be well to ask readers of *The Freeman* to vote for a reprint of one article or editorial in each issue which they would like to have reprinted as a leaflet. Maybe it would be more effective, for several reasons, if readers would ask their non-Georgist friends to help make the selection, so that you could get the reaction of the uninitiated to the article or editorials.

The cost of reprinting, since you have the type, would be so small that anybody would be willing to buy twenty-five or fifty reprints each month.—H. W. Noren, Pittsburgh.

## The Freeman

A Monthly Critical Journal of Social and Economic Affairs

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The Freeman does not necessarily endorse opinions expressed in signed or initialed contributions or statements in news reports, assuring the widest freedom of expression to its writers. Contributions consistent with the policy of *The Freeman* are welcomed; no payment is made, for the editors and writers contribute their services as a living endowment to the cause for which *The Freeman* stands.

## NEWS OF THE CRUSADE FOR ECONOMIC ENLIGHTENMENT

Edited by Sandy Wise

**\$7000 the Goal; \$2500 In; \$2100 to Go.  
It All Adds Up to Space for Students**

"Upon my retirement my income was considerably reduced. Mrs. H. is now in the hospital. But Mr. Neilson's splendid offer must not go unchallenged. So, here's the pensioner's mite, \$5." C. M. H.

"Enclosed find a dollar bill. Sorry it is not more. I have had a great deal of sickness and my future income is very uncertain." G. M. D.

"I am in my 75th year, have been out of work since 1932, and have kept off relief by practicing great economy. I am enclosing one dollar." J. T. G.

"Enclosed find \$1.00. I am employed on W. P. A." M. Z.

"Put me down for \$15. My reduced income calls for care in spending. The enclosed \$5 is from a friend who doesn't want her name mentioned." C. H. L.

The religious zeal that motivates—and has for a half century motivated—the followers of Henry George springs from more than an understanding of his economic theories. It stems from that innate sense of justice which is the common heritage of mankind. The sacrifices that have kept the movement alive, that are making possible its re-vitalization through the School, are the human monument dedicated to the ideal George taught.

Above are a few excerpts from letters accompanying pledges and contributions to the "Building Completion Fund." An appeal was mailed to some five hundred Georgists, up to the time this issue went to press. The appeal letter explains that Mr. Francis Neilson has offered to pay one-third the seven thousand dollar expense of completing the two upper floors of the school building, provided the balance is raised from popular subscription. At this writing, approximately

\$2500 has been paid in or pledged. So, to meet Mr. Neilson's offer, about \$2100 is needed.

Contributions or pledges must be in by July 4. The heartfelt response to the appeal warrants the trustees in going ahead with their plans. The blueprints, prepared by Architect Bob Chananie as a contribution, have been approved by the city authorities. Work has started. The contractor has agreed to accept partial payments over an extended period.

The fifth floor will have a 250-seat auditorium where popular lectures will be given; the executive offices will also be located on this floor. The next three floors will contain twenty class rooms, with nearly five hundred seats. The street floor will have a registration office, a socio-economic library, the Students' Room and coffee shop, and the office and book-store of the Robert Schalkenbach Foundation.

Ideal maximum enrollment will be 5,000 students a term. The trustees are planning on 3,000 students in September, and a total of 7500 for the coming School year. Of course, the Extension and Correspondence Course work will be continued, although expansion of the departments must await increased funds. Trustee Otto K. Dorn is supervising the construction work.

The trustees appreciate the expressions of good will that have accompanied contributions and pledges. The director and his staff are spurred on to greater efforts by the continuing testimony that "The truth I have tried to make clear . . . will find friends—those who will toil for it; suffer for it; if need be, die for it."

**Chicago Students Take Hold**

CHICAGO, Ill.—Forty student representatives of the winter term of the Chicago Extension of the HGSSS met Saturday afternoon, March 9 at the School headquarters to consult on plans for the commencement and for the spring classes.

To enable the School to meet the expenses of the next term, J. P. Buene-man, a student in the Rogers Park class, moved that each representative discuss the needs of the School with his fellow students at the ninth lesson and ask that those who are able join in contributing at the tenth lesson. The motion was unanimously adopted. Contribution cards were taken by the representatives for distribution in their classes.

The amount of the class contributions will be reported at the commencement, to be held in the West Exhibit Room of the La Salle Hotel, Thursday, April 4,

at 8 p. m. Edward J. Sparling, president of the Y. M. C. A. College, will be the guest speaker. Malcolm Franklin, instructor of the HGSSS, will be chairman.

**New Jersey Speakers Bureau**

K. F. Howell, Secretary of the New Jersey Speakers Bureau, reports the first month's activities. These engagements were filled:

Feb. 15—Lancaster M. Greene at Amer. Businessmen's Club, Elizabeth, on "Economic Causes of War."

Feb. 26—William L. Hall at K. of P. Rathbone Lodge, Newark, on "Causes of Depression."

Mar. 5—Mitchell S. Lurio at Grove Reformed Church, North Bergen, on "Depression—Its Cause and Cure."

Mar. 10—William L. Hall at First Presbyterian Church, Elizabeth, on "Causes of Depression."

Mar. 14—M. J. Susskind at Young Republican Club, Bloomfield, on "Economics and Politics."

Mar. 14—Abraham M. Goldfinger at American Jewish Youth, Newark, on "Americanism."

Mar. 28—William L. Hall at South Park Church, Newark, on "Taxation—Just or Unjust."

**The Unasked Question**

CHICAGO, Ill.—Mrs. Thomas J. Keefe, HGSSS graduate, sent the following telegram to the Town Meeting of the Air for its program on "What Shall We Do With The Joads?" on Thursday, March 7:

Without further overburdening tax payers how rehabilitate Joads unless government take unearned increment of land for the whole people who create it as Henry George proposed?

Mrs. Marian S. Carter, director of the Radio Forum Division, replied: "We are sorry that we were not able to include your question in the program. We received over 50 telegrams during the broadcast that evening and felt that it would be better not to inject the Henry George theory into the discussion unless the question came from the floor, since it is a question which requires an entire meeting in itself."

Members of the Henry George Woman's Club are writing the Town Meeting of the Air that now is the time for such a meeting.

**Progressive Boston**

BOSTON, Mass.—During the week of April 1, eleven new classes will be opened, according to Harold J. Power, in charge of publicity for this extension. Newspaper stories and display posters are being relied upon for enrollments.

Through the efforts of Miss Worrell, a class for business executives was organized this Spring. It meets every Friday noon at the Chamber of Commerce, and is conducted by John S. Codman. The inaugural session was addressed by Henry P. Long, Tax Commissioner for the Commonwealth of Massachusetts, whose praise of Henry George and the work being done by the School was significant.

Commencement exercises for the Winter classes will be held on March 29; the principal speaker will be Francis G. Goodale.

**Advanced Work in Los Angeles**

LOS ANGELES, Calif.—Harry H. Ferrell, extension secretary, reports the opening of a "Science of Political Economy" class on April 1. During the month a new class in Fundamental Economics, as well as one on International Trade, will be organized.

## San Diego

SAN DIEGO, Calif.—A new class has been organized this month, according to Grant M. Webster, extension secretary. The new class comprises 20 students and an advanced class is being planned for May.

## Paoli

PAOLI, Pa.—Charles B. Scheerbaum, opened his first class in "Progress and Poverty" with six students on March 28th, at the home of Miss Frances Wilson.

## Suffern

SUFFERN, N. Y.—The class in fundamental economics, now being conducted by Walter Fairchild at the School of Living, is progressing admirably. This class, a large and enthusiastic one, was visited recently by Edward Bell, who may be sought for a continuation class in the spring, according to Mildred Jensen, acting as Extension secretary.

## St. Louis Commencement

ST. LOUIS, Mo.—Graduation exercises for the St. Louis Extension of the HGSSS were held March 16 in the Hotel Melbourne. Prof. Harry Gunnison Brown, of the economics department of the University of Missouri and well-known text book author, spoke on "Regimentation and Free Industry." John Lawrence Monroe, field secretary of the HGSSS, also spoke on "Our School—Its Mission."

## Window Display Pulls

NEW YORK—An illustrative and descriptive window display, the work of instructors Archie Matteson and Herbert von Henningsen, brings many passers-by into the School. A number of these inquirers enroll in the course. Others buy books.

## "The Free People"

JOHANNESBURG, So. Africa—Despite wars and censorship, *The Freeman* receives regularly copies of *The Free People*, the official organ of the Farmers' and Workers' Party of South Africa. This smart little sheet is devoted to interpreting news in the light of Georgist principles; editorially it advocates the appropriation of the full rent of land.

## Jamaica Forum

JAMAICA, L. I.—A series of 15 Tuesday Night Forums, free to the public, has been instituted at the Jamaica Y. M. C. A., 89-25 Parsons Boulevard, in order to conduct a survey of current economic issues.

## John M. Redmond

CEDAR RAPIDS, Iowa—John M. Redmond died here last month and with his passing another follower of Henry George is lost. Mr. Redmond was a prominent lawyer who, early in the century, was twice mayor of Cedar Rapids.

## Speakers Bureau Reports

Miss Dorothy Sara, Secretary of Speakers Bureau, reports the following engagements:

March 3—Frank Chodorov at Community Forum, Radburn, N. J. on "What Can We Do to Save a Sick Civilization?"  
March 6—Lancaster M. Greene at Kiwanis Club of Highland Park, Brooklyn, on "Lopsided Taxation."  
March 6—Frank Chodorov at American Institute of Consulting Engineers, N. Y., on "The Function of the Market Place."  
March 7—Lancaster M. Greene at Thursday Forum, Y. M. C. A., Newark, N. J., on "Crises and Economics."  
March 8—Henry A. Lowenberg at Jewish Center of Williamsbridge, Bronx, on "Preserving our Democracy."  
March 17—Edwin Ross at Riverside Church, N. Y. led round-table discussion on "Application of Philosophy of Henry George."

March 20—Miss Grace Isabel Colbron at Women's American Ort, Bronx Chapter, on "Aspects of International Relations."

### ADVANCED DATES BOOKED:

April 9—Dr. S. A. Schneidman at Lions Club, Richmond Hill, L. I., on "Social and Economic Maladjustments."  
April 10—Arthur N. Seiff at Kiwanis Club, Portchester, N. Y. on "International Trade Relations."  
April 14—C. O. Steele at Ingersoll Forum, Pythian Temple, N. Y. on "Economic Causes for Anti-Semitism."  
April 21—Stanford Bissell at Church of the Gardens, Forest Hills, L. I. on "International Trade Relations."

## Extension Department Report

NEW YORK—The Extension Department records classes this Winter in the following cities, the number of classes where there were more than one in parentheses. It is known that other classes have been conducted, but the department cannot officially record them because of lack of definite information from class leaders or secretaries.

CALIF.—Albany, Berkeley, Los Angeles, Oakland (2), Pasadena, San Diego.

CONN.—Hartford (5).

ILL.—Chicago and suburban cities (40).

MASS.—Arlington, Boston, (3) Brookline, Cambridge, Medford, Somerville, Winchester, Woburn.

MINN.—Minneapolis.

MO.—Kansas City, St. Louis, (5) La-throp.

NEB.—Omaha.

N. J.—Paterson, Bloomfield, Elizabeth, Hackensack, Irvington, Kearny, Montclair, N. Arlington, Orange, Perth Amboy, Union City, West New York, Dover, Pompton Plains, Lincoln Park.

N. Y.—Pleasantville, Suffern, Syracuse, Long Island, (3) Brooklyn, (2).

OHIO—Cleveland. (Number of classes unreported.)

PA.—Philadelphia, (4) Pittsburgh (2).

R. I.—Providence.

S. D.—Sioux Falls.

Canada—Montreal, (2) Hamilton, Toronto.

## Are You Letter-ing?

A. Freeland, swamps us with letters and articles concerning Georgism which he runs across from time to time . . . He enclosed some clippings, one of which was a letter signed by Lenden Dalberg, Kent, Washington, advocating the adoption of Georgist principles as a method of giving some hope to the youth of the country . . . Another letter along Georgist lines and advocating free trade was signed by J. S. Gogin, of Walhalla, N. D. . . . And from time to time Mr. Freeland has run across letters in Pacific Coast papers from W. L. Crosman, Revere, Mass., J. H. Giddings, Providence, Louis Nash, Seattle, P. W. Schwander, Houston, and John Harrington, Oshkosh, Wisconsin . . .

PLEASE SEND ALL LETTERS TO THIS DEPARTMENT AS YOU DISCOVER THEM. MARK THEM WITH YOUR NAME AND THE PUBLICATION IN WHICH THEY APPEAR WITH THE DATE . . .

All praise to Gilbert Cope, who wrote a remarkable letter to the "Liberal Press" of Chester, Pa. . . . Mr. Cope rated two columns for his clear outline of Georgist principles and ended his letter with information as to the courses at the school and he included the address . . . and he didn't neglect to mention that the courses are free! . . .

H. Lyngholm, Lynbrook, L. I., has a brilliant letter published in the Nassau Daily Review-Star. . . .

T. Buehler, publisher of the Buffalo County Journal, Alma, Wis., besides including a subscription to the Freeman and some words of praise in his letter, also enclosed a clipping from The United States News in which he condemns in a letter our present tax system and favors the simple and just method of collecting the rent of land . . .

J. B. Milgram, of Brooklyn, a columnist for the Flatbush Observer, gave the school invaluable publicity recently when he mentioned that he had discovered the inadequacy of increasing employment by artificial methods after a course in fundamental economics at the HGSSS . . .

George H. Duncan tells the readers of the Manchester (N. H.) Union, that the basic reason why Denmark is "Europe's best farmer" is that speculation has been eliminated and land forced into use . . . From the editorial page of the Oakland (Calif.) Tribune comes a letter in which E. C. Redevanning of Alameda, urges taxpayers to investigate the cost of the right-of-way for a new highway . . . John T. Giddings, of East Providence, acknowledges receipt of his copy of Hirsch's "Democracy vs. Socialism," which he won for letter writing, and includes a clipping of another letter published in the Providence (R. I.) Evening Bulletin. His letter states that the collection of the full rent of land would pay the full costs of government and "to say that it would not is equivalent to saying that the government is costing more than it is worth" . . .



## Who's Who in Georgism

John S. Codman



John Sturgis Codman, dean of the faculty of the expanding Boston extension of the HGSSS, was born in Boston's Back Bay on February 25, 1868. He graduated from Mr. Noble's School in 1886, from Harvard in 1890 (A. B.), and from the Massachusetts Institute of Technology in 1893 (S. B.).

Although Mr. Codman read "Progress and Poverty" before leaving Harvard,

the book made little impression on him at that time. In 1912, the Democrats flooded the country with a cheap edition of "Protection or Free Trade," a copy of which came into his hands. This led to his re-reading "Progress and Poverty." Failing in every attempt to refute them he became an advocate of the views of Henry George.

Mr. Codman is the author of "Unemployment and Our Revenue Problem" (B. W. Huebsh, Inc., 1923), originally published as a series of articles in the old Freeman. Mr. Codman's article in The Dail of April, 1919, on "How to Secure the German Indemnity" was re-published, as an appendix to this book. Copies of this book may be secured from the Schalkenbach Foundation or from the author. Other articles by Mr. Codman on how the first World War could have been financed are as timely today as when they appeared twenty-three years ago in Forward (Boston) and the Boston Traveler. Mr. Codman's most recent magazine contribution, "Ground Rent—The Natural Municipal Income," appeared in The American City in January.

In 1935 Mr. Codman headed a committee to sponsor an extension of the HGSSS in Boston. With the help of Francis G. Goodale he organized and led two classes. Since then Mr. Codman has devoted most of his time outside of business to the work of the School.

Mr. Codman is treasurer and director of the Fabreeka Products Company of Boston. His chief hobby is lawn tennis. He has achieved distinction as a professional baritone singer.

Mr. Codman was married on April 25, 1901, to Susan Sargent Codman, daughter of Richard Codman. They have one daughter, Rachel Sturgis Codman.

## On the Margin

Every Georgist is a personality of importance to all other Georgists. Therefore his doings are matters of importance to The Freeman. Brief and pointed personality notes about Georgist workers will be welcomed by this column.

M. B. Thomson, who claims histrionic experience but is an excellent teacher of Fundamental Economics, is preparing for production at the New York graduation exercises, June 3, a Georgist playlet by Ed Ross, who also once wore the buskin (or a sock).

From Dr. Charles B. Morgan, indefatigable Boston worker, comes this testimony: "Professor Fred C. Hosmer of North Eastern University, a retired teacher of economics, has for two years studied all of our courses carefully. Now he has agreed to take charge of a class, and will probably give the rest of his life to this work."

The crowded class room of Reginald Zalles, ex Bolivia, is being explained in terms of pulchritude by envious New York teachers.

His middle name is George. That's important in the home of Mr. and Mrs. Clyde George Bassler where Clyde George Bassler, Jr., came to reside on January 21. At the age of two months he is said to be familiar with the explanation of why a tax on land values cannot be shifted. His parents are graduates of the first class held in Chicago.

John A. Filpi and Christ Sears Minnee, graduates of Maurice Welty's winter '37 class, are candidates for public office at the Chicago primaries, April 9. Republican Filpi, attorney, is seeking his party's nomination for associate judge of the Municipal Court, while Democratic Minnee, realtor, is running for Congress in the 7th congressional district. James O. Monroe, life long Georgist and former secretary to the late James Hamilton Lewis, is campaigning for the Democratic nomination for governor.

When Harold V. Childs and August W. Ulrich met as students in a special class

of the Plant Training School of the Illinois Bell Telephone Company, they found they were both HGSSS graduates (Childs from Evanston and Ulrich from the other side of Chicagoland at Blue Island). Now they're both teachers in the Plant Training School.

Otto Siebenmann, from Henry H. Harding's Chicago class of Fall '38, was promoted early in March to the position of Field Representative of the Real Estate Department of the Shell Oil Company in Chicago. He arranges the leases of sites and loans for the erection of buildings for new gas stations. He doesn't need charts to see the law of rent in operation—every day.

Appearing in the March issue of "Dynamic America" is an article entitled "Taxation and Housing," a collaborative project by Harold S. Buttenheim, editor of "The American City," and William W. Newcomb, co-author of the illustrated treatise on Georgism, "You and America's Future." Robert Clancy, who drew the pictures for "You and America's Future," illustrated the article.

## Happy Birthday

CHICAGO, Ill.—The Henry George Woman's Club will cut a cake for its first birthday at a party to be held in the home of Mrs. Clyde G. Bassler, 5056 Marine Drive, Sunday afternoon, April 21. Members are invited to bring their husbands and friends.

## L. V. T. Article

In the February issue of the Journal of the Royal Architectural Institute of Canada, H. Bronson Cowan, prominent Single Taxer, has written an article entitled "Principal Handicaps on Buildings." It is a study of the effects of partial land value taxation on the building industry in various cities throughout the world.

## Chicago's Fund Campaign

CHICAGO, Ill.—A novel fund-raising campaign is being inaugurated by the Chicago Extension, according to H. L. T. Tideman, Secretary. Each class was asked to send a representative to a meeting to discuss the work of the commencement exercises. The discussion included the funds problem. "The students took the problem away from us," says Mr. Tideman, "each one agreeing to handle the matter in his or her class."

## Well, Write 'Em

I can think of no single force which can improve "The Freeman" more efficiently than the continued printing of such articles as "Brick-Bats in a Friendly Mood" by Glenn E. Hoover in the January issue. Only by searching analysis and self-criticism can we hope to achieve perfection. . . L. Satz, New York.

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Henry George

An Essay

*By Albert Jay Nock*

Historical, political and social aspects of Henry George's life and works re-examined upon the occasion of his centenary.

This brilliant essay, originally published by William Morrow & Company to retail at \$2.50 per copy, was especially issued at the request of the School so that it could be offered to graduates at One Dollar. Only a few copies of the original printing remain.

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