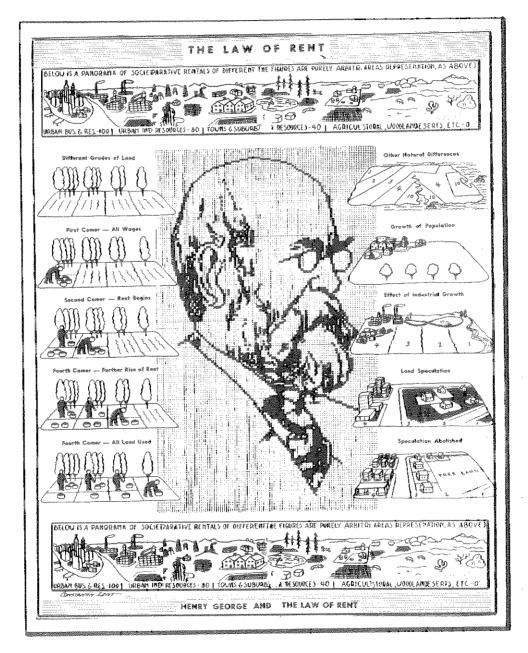
# SAGES PAGES

VOLUME 2

S. C.

1950



## ORGAN OF

Society for the Advancement of the George Economy, Inc.

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Monday - August 7 - Regular Meeting (Open Discussion of the U.N.?) 7:30 P.M.

Sunday - August 13 - Beach Party (See Page 4) 11:00 A.M.

Monday - August 14 - Regular Meeting 7:30 P.M.

Friday - Sept. 8 - Regular Meeting (Due to Labor Day Holiday) 7:30 P.M.

Fencing Classes every Thursday evening until further notice.

SAGE'S PAGES - Published monthly by the Society for the Advancement of the George Economy, Inc., 50 East 69th Street, New York 21, N.Y. Fublication Committee: Sidney Blitz, Chairman; Mabel L. Rees, Henry Joel, Constantin Lent. Vivian Kiliaen-Rodney, Editor.

#### A PRESIDENTIAL NOTE -A 13TH CENTURY PARALLEL

Today's nation-state is analogeous to feudalism as it existed between the 10th and 13th Centuries. Feudalism arose as a protective measure, to protect people against up-risings of the poverty-stricken, landless peasants, or against sudden attacks by invaders from neighboring lands. Small landowners and landless freemen found it expedient to band together under the leadership of a powerful lord or land-holder in order to gain necessary protection and some measure of security. Gradually sovereign power was vested in the land baron and all peoples within his domain eventually became total subjects. (For a seeming measure of security and some unstable protection, these people gave up their freedom.) Feudalism created serfdom. Slavery gave vent to fear, hate, distrust, poverty, misery, conflicts, and finally to disintegration. Eventually, the feudal state gave way to the nation-state under sovereign kings, which was a greater system of exploitation and domain expansion.

The nation-states of today, some under so-called democracies, some under figure-head kingships, some under dictatorships, etc., each with its own concept of the rights of citizens and the obligations of the citizens to the state, are in the same dilemma as was apparent in the latter stages of feudalism. Freemen's rights are more and more being absorbed by the sovereignty of centralized, powerful governments in the guise of protection and security. Fear, hate, distrust, poverty,

misery, and war are again rampant.

History is repeating itself and still men blunder on. How many more generations must be born before enlightenment as to the cause of recurrent chaos are understood and corrected? Nationalism has become a mania to the extent that it portends to destroy our current civilization unless people wake up to the simple fact that veryone, in all generations, has an equal and God-given right to share this planet for the fulfillment of his just desires and needs; and that each has the right to express his life as he sees fit, provided of course, that he doesn't encroach upon the rights of others to the same privileges.

The function of government is to see that equal rights of individuals are upheld. Beyond that, government begins to usurp powers that are vested in the individual citizens; and in the proportion that it assumes these rights, in that same proportion does the citizen become subservient to government. Governments, as with land values, are created by the people and should serve all the people. Therefore, as George points out, those people are best governed who are least governed; and land values which people create should be community collected to pay for the functions of governments and for all public improvements.

As Georgists and SAGERS, we know the answers, the cure, to this world dilemma. Yet, how many of us are doing anything to aid in correcting erroneous thinking and concepts? SAGE was formed so that every member would have an opportunity to assist in bringing about the social order which we all desire, but so few are taking advantage of being of service. Each of us must bear in mind that the greater the effort individually, the greater the influence collectively. As an individual, just how much are you giving? Does your conscience bother you, or are you like millions of other self-mesmerized individuals who believe that fate and destiny are beyond their ability to cope with and so plod along in daily routines hoping hopelessly? Well?

George J. Musalino, President

#### PHILOSOPHIC TIDBITS

"Among all human inventions, the most worthless is an excuse"

#### HENRY GEORGE REVIEWS THE NEWS

From a Long Range Viewpoint (From Book 5, Chapter 2, Page 287, Fiftieth Anniversary Edition, Progress & Powerty)

The simple theory which I have outlined.....explains this conjunction of poverty with wealth, of low wages with high productive power, of degredation amid enlightenment, of virtual slavery in political liberty. It harmonizes, as results flowing from a general and imexorable law, facts otherwise most perplexing.

Through quotations from his book "Progress & Poverty" last month, Henry George replied in SAGE'S PAGES to the first objection listed in the article in a recent issue of "The Christian Science Monitor" criticising his idea of what constitued private property. The second objection makes the point that it is sometimes hard to distinguish, for purposes of taxation, between "bare land" and land on which some improvements have been made. The criticism continues in the words of one authority:

#### NEWS IN OUR TIMES

Rent From Bare Land: - "Bare land seldom exists in such form that man use it. --Preparatory work is essential for land to yield rent. --- While proponents of the
"Single Tax" declare that they would not apply the tax to such land improvements,
they may be asked how they would differentiate all of them from bare land once they
have become embedded in it."

#### George's Appraisal of the News as good NOW as THEN:

(P&P Book 7, Chapter I, Page 343) - "If I clear a forest, drain a swamp or fill a morass, all I can justly claim is the value given by these exertions. They give me no right to the land itself, no claim other than to my equal share with every other member of the community in the value which is added to it by the growth of the community. But it will be said: There are improvements which in time become indistinguishable from the land itself. Very well; then the title to the improvements becomes blended with the title to the land; the individual right is lost in the common right. It is the greater that swallows up the less, not the less that swallows up the greater. Nature does not proceed from man but man from nature, and it is into the bosom of nature that he and all his works must return again."

M. L. Rees

#### REPORT FROM THE CONVENTION

SaA.G.E. has been the recipent of a message from our friend and fellow-member, Steve Manuel, who, before going home to the Phillipines, there to carry forward the Philosophy of Henry George, took time out to attend the Henry George Convention in St.Louis, Missouri. Steve had the opportunity to speak to those assembled twice, on the second and third days of the Convention. Once he spoke as a representative of SAGE, when he explained the aims of our group and its part in the Georgist movement. The other time he spoke as a future Director and Delagate from the Phillipines, and from other sources we learned that he received quite an ovation! Steve sent his kind regards to all SAGE members (especially the girls!) and we know that, though many miles may separate us, he will remember and think about us, and for our part all our kind thoughts and good wishes for personal happiness and success go out to this good member of SAGE and ardent Georgist. While he bears the banner of Georgism in the Phillipines, we must support him here morally and spiritually. Best of luck and good wishes, Steve!

#### A PLEA FROM YOUR TREASURER

Dues statements have recently cleared to all members who are owing for the current quarter and to those who are in arrears. Our treasury needs bolstering, Please remit your dues promptly.

A suggestion is herewith made to those few members who are in atrears. Endeavor to remit \$1.00 every week or every two weeks until your dues standing is up to date.

When at school, monies may be submitted to Miss Peggy Kearns, Front Office, or to George J. Musalino, Coffee Shop. However you do it, do it; and do it now! Your dues money is most important to us for carrying on our work.

Another thing, to those who are in a position to remit their dues for the balance of the year, they would be appreciated.

Lets see the dollars roll in. Thanks.

Val Hallgren, Treasurer

#### Report On The July 23rd Beach Party

Those who attended the beach party July 23rd had a perfect day and a grand time. The most popular pastime was playing "I Doubt It" (a card game) and Casino. The water, though murky, was delightful for swimming.

All in all, it was a wonderful beach party. It is too bad that more members did not know about it.

Annette Webster, Entertainment Chman.

#### ANNOUNCEMENT OF NEXT BEACH PARTY - AUGUST 13TH

SAGE'S second beach party of the season will be held Sunday, August 13th, at Edgemere (Eastern end of Rockaway). Everyone please meet promptly at 11:00 A.M. The L.I. train leaving Penn Station at 9:56 A.M. or take the train at Jamaica to Edgemere Station. Late comers walk down 34th Street (which is Edgemere Station) to beach where rest of group will be located. There is a schedule on the bulletin board stating departures from Penn Station and Jamaica Station.

Bring lunches, blankets, cameras, etc. We hope to see a large crowd, so we'll all have a wallopin' good time! Invite your friends and relatives. Till we see you - remember - set aside August 13th for the beach party!

Should inclement weather develop, the party will be held the following Sunday.

#### THE FAREWELL PARTY TO STEVE MANUEL

The Farewell Party to Steve was well attended. A host of happy members joined in having a grand time to make Steve's last affair with SAGER'S a memorable one. Steve was so moved by the well wishes accorded him and the sentimental reaction to the gift bestowed upon him, that he was almost at a loss for words to express his gratitude. However, few words were needed for we know how Steve feels about us, our efforts, and the George Philosophy. We know that wherever he may be, the SAGE influence will spur him on to strive for the freedom which all Georgists cherish. Again, we extend a bon voyage and a promising future to Steve in the Phillipines.

#### A WORD FROM AN ECONOMICS TEACHER

An economics teacher recently gave his students the following cheerful news: "Studying economics might not keep you out of the bread line, but it will at least tell you why you got there".

### HISTORY OF THE HENRY GEORGE SCHOOL (Chapter Seven)

To conclude this outline of the School's progress, this article, as you see, is appearing in SAGE'S PAGES, the magazine sponsored by the Society for the Advancement of the George Economy, known as S.A.G.E. If it were not for the devotion of the charter members of this organization, (all graduates of the school's course in "Progress & Poverty"), especially of Miss Vivian Kiliaen-Rodney, who has made this publication her particular concern, it would not be possible to contact our members in this manner. To Mr.Joseph Rose, our first President, to Mr.George Musalino, our current President, together with Miss Anne Gentile, Recording Secretary, Miss Mildred Allen, Corresponding Secretary, and Mr.Valdemar Hallgren, Treasurer, and the Chairmen of our various Committees, goes the credit for our organization's efficiency and growing membership. Graduates of the School's Correspondence Courses may become Associate Members, but as branches of S.A.G.E. are now in process of being established in other cities, it will be possible for more graduates to join branches in their own communities.

As the Robert Shalkenbach Foundation maintained for the publication of Henry George's works and books in line with his train of thought is of great value to the school it is fortunate that it is located in the same building. The funds for this trust were obtained under the terms of a will left by the doner whose name it bears. With many of these volumes on hand in the school's library, in charge of the obliging Mr.Leslie Swanson, it is possible for students to consult them, along with a collection of other related books and documents, whenever they have the time.

If any of you who read this review of the activities going on at 50 East 69th Street have not yet visited the school, please try to do soIn her registrars office, near the main entrance, you will receive a hearty welcome from Miss Peggy Kearns, and if you wish to know more of administration details, our energetic and capable Director, Mr. Robert Clancy, (co-author of "You & America's Future"), will be glad to assist you. There is free literature awaiting you at the school, and also there are numerous pamphlets that cost only a few cents. Possibly you will find it convenient to come on a Friday night when there is a public lecture or a movie, usually bearing on some phase of economics. If you would like to be certain of the topic to be considered on a particular Friday evening, or just when certain courses are to be given, send or leave your name in the first floor office.

Finally, if you wish to help further the work of the school's auxillary organization, S.A.G.E., just contact one of the members in person, or write one of the officers, care of the school. Here is your opportunity to be associated with a great cause so nobly begun by a great man. The more closely you examine his life and his doctrines the more likely you are to agree that Henry George meets William James description of the "heroic man" who becomes one of the masters and lords of life, who must henceforth be counted with as "he forms a part of human destiny".

Mabel L. Roos.

(While this is the concluding chapter in the "History of the Henry George School", it is by no means the end ... the Cause and the school are progressing day by day supported by only voluntary contributions of students, graduates and others who feel that Economics can only thoroughly be understood and properly practiced, when the Georgist theory is considered, taught and practiced. We mention this matter of voluntary contributions only because many people erroneously believe we are backed and supported by heavy endowments. A great deal of the work at the school is also done on a voluntary basis and all the courses are taught by instructors who are also on a voluntary basis; by those means we are able to offer these interesting and enlightening courses gratis. We have graduated over 20,000 students and we welcome as many more as wish to cross our threshold. Our only aim is to educate: Ed.)

#### PERSONAL GLIMPSES

Richard Thiele, one of our esteemed and dependable correspondence course instructors, took time out to attend one of our recent meetings. It was good to see you, Dick.

Carmen Miranda, a new member, petite and gracious, has been with us regularly since joining. We enjoy your presence, Carmen.

Robert Huff, one of our most enthusiastic teachers, has had a "far away" look these past few weeks. His "all-out" interest in Dianetics, the new mental therapy, accounts for it. Some one of these days, though, we shall see him resume organizational interests to some measure.

Steven Kocoris, a quiet, conscientious correspondence course instructor, is seem periodically going over a stack of C.C. lessons. His questions as to SAGE progress are provocative; and he regrets not having the time to take active part in the "goings-on". Maybe later, Steve?

Mrs. Ilse Day, the charming Correspondence Division secretary, has returned from an up-state vacation which wasn't a thoroughly enjoyable one because of illness. It is nice to see you back again, Ilse, anyway.

Rose Rafkind, our genial Hospitality Chairman, has had herself a vacation at Lake Scoor, N.Y. She appears to have had a grand time.

Bennett Challis, our venerable and lovable Correspondence Division Director, is recovering rapidly from his hospitalization and expects to resume his duties soon. Wonderful, wonderful news! We have been very much concerned, and for a spell deeply so, for your recovery, Friend. Continued progress and good health to you!

Marjorie Dare, our song-bird member, is still diligently applying her charm and energies to co-ordinating a radio or television series of skits dealing with economics. Nothing definite yet. These things take time, a lot of painstaking attention, and follow-through before the final result is achieved. Good going, Marge.

#### NEW MEMBERS

We welcome the following new members and wish them a long and fruitful association;

Miss Lee Isaacson - Bronx, N.Y.

Mrs. Ernestine Teitel - New York City

Miss Anna Humann - New York City

Mr. Michael J. Giblin - New York City

By the time this goes to press, Spring Term graduates will have been solicited for SAGE membership. Undoubtedly the September issue will carry a long list of new members.

As a reminder to all members, each is unofficially a member of the Membership Committee. So, whatever influence you can bring to bear upon graduate friends and acquaintances to join our expanding ranks, will do much to increase our numbers, and so increase our capacity of performance.

#### NEW-IDEAS

PRICING: Some manufacturers are now putting the amount of hidden taxes on their price tags. As an example - the cost of the automobile, \$1,400; hidden taxes \$700; your price, \$2,100; with the notation, "don't blame the automobile industry for high prices."

PROGRAM FOR LESS COSTLY GOVERNMENT: The Gorman-Rupp Company (Mansfield, Ohio) is using excellent data in the form of letters, etc., to show their employees how much they are paying for direct and hidden taxes and how the extravagance of the Federal Government adversely effects them.

#### PLYMOUTH ROCK LAID AN EGG

If Plymouth Rock had landed on the Pilgrims, and the Pilgrims hadn't landed on the Rock - well, as you can see for yourself, things would have been different. And things would have been different, too, if the Pilgrims had continued as they started, even on the Rock and not under it. Karl Marx hadn't yet been heard of - that was ONE break they had in their favor, - but even so, they began to do business on a thoroughly Marxist basis - "From each according to his ability, to each according to his needs". Both land and jobs were parceled out by the Governor and his councilors. Everybody was told what to do; everybody was to share in the product.

Nobody held back on the sharing; the doing left a little something to be desired. During the first year food was scarce. Even after the 1621 harvest was gathered, the daily ration was only about a quarter of a pound of bread for each person. By Spring of 1622 a lot of the Colonists were complaining they were too weak to work raising food. And some of them, despite their religious convictions, stole bread

from their starving fellow-workers. They were that hungry.

The young single men kicked because, in addition to feeding themselves, they had to help feed other men's wives and children. Able-bodied heads of families griped that after putting in long hours to raise good crops their food and clothing allowance was no greater than that of other family men who, for reasons valid or not, worked but a few hours a day. The women threatened a sitdown strike when ordered to cook and wash for others than members of their own families. Their husbands growled that that their wives were little better than slaves, and that they weren't going to permit it. Everybody was hungry, everybody was satisfied less than somewhat. What should have been a socialist paradise turned out to be merely socialist.

Finally, such pressure was brought to bear upon Governor Bradford that even he came to see the error of his ways - which stamps him as a remarkable and unusual Governor. He said, and did not caution the reporters it was "off the records", that he and his Councilors had thought they were "wiser than God". We know of a lot of politicos today who might say the same and with equal truth but, up to the hour of going to press, none had delivered himself of such sentiments. An so, to get back to 1623, the Pilgrims turned away from government dictation. Each family was given as much land as it could use and told to hop to it - "You are on your own".

And did they hop! Even the women went into the fields willingly, taking their children with them. Everybody worked - including Father. People who had formerly complained that they were not strong enough to dig or hoe, declaring that it was nothing short of tyranny to force them to do heavy field work utterly beyond their strength - they were right in there swinging with the rest of the boys and gals. Now they were working for themselves! When the harvest was gathered, instead of famine they had plenty. Nobody was cut of work, nobody was on relief, there were no income taxes. Karl Marx, The Now Doal and the Fair Deal were hundreds of years away. No wonder those quite human Pilgrims took time out to throw a Thanksgiving Party!

The moral of this tale - which happens to be history - is that if you give people ready access to the land and leave them to their own devices, they will get along. No one will be hungry, no one out of a job. And mighty few loafing on the job. For when you do your loafing at your own expense, you are less likely to loaf. When all you earn is yours - every single penny of it - when every bit of what you produce is yours to keep, to do with as you please - well, in that case there's such a powerful impulse to hustle that the average man would be more unhappy loafing then he would hustling.

PLYMOUTH ROCK LAID AN EGG (Continued)

Wouldn't it be nice if things were arranged that way novadays, with each man earning what he gets and getting what he earns; with no man earning what he doesn't get or getting what he doesn't earn? Maybe it will be like that some of these days - if we ever some to show as much gumption as the Pilgrims did after a couple of years of socialism. Maybe, some day, we will show as much sense.

#### "TIME SCHEDULE" FOR AUGUST 1950

Wednesday - 2nd: Membership - Everyone Thursday - 24th: SAGE'S PAGES - Everyone

Wednesday - 9th: Membership - Everyone Tuesday - 29th: Speakers Bureau - Typing, folding, stamping, etc.

Tuesday - 15th: National SAGE - Typists, Stenographers.

#### FALL CLASSES

The Fall Term Classes will begin during the last week of September - Exact dates will be given in the September issue of SAGE'S PAGES (ready by September 1st).

All advance advertising and publicity of these classes must of necessity be done during the four weeks preceding and we would therefore urge all of our readers to tell as many of your friends and relatives as possible about the free courses offered by the Henry George School. You might also submit to us names and addresses of any persons whom you think might be interested in enrolling and we will do the rest.

Those readers who have taken only the fundamental course ("Progress & Poverty") should back up that knowledge by taking the other two so-called fundamental courses (International Trade & Social Problems and Science of Political Economy); you will find your arguments for the Georgist Philosophy much strengthened by this additional information. And for those who have taken the triology of fundamental courses, you might consider taking one or more of the advanced courses, all of which are both interesting and informative - and none of which can be considered "dry".

V.Rodney

#### HIGHLIGHTS OF THE MEETINGS

Monday, June 5th - Joseph B.Rose, Co-Ordinator of SAGE National, reported that the Los Angeles School has its SAGE group well organized.

Elaine Wener, Chairman of the Education Committee, reported plans for a very strong program in connection with Congressional legislation, before that body leaves for vacation.

Constantin Lent, Chairman of the Sports Committee, reported that various types of sports are being considered and the possibility of competition with teams from other schools is a future aim. Membership in the Henry George SAGE Sports Club will be open to all students of the Henry George School.

George Musalino, President, announced the appointment of George Kinnes as head of the Sub-Committee to handle labor and to work with the Education Committee. He also announced that we will be listed in the Manhattan telephone directory. The proposed amendment to Article IV of the Constitution was read to the members but ratification will be taken up at a later meeting, after due publicity has been made of this amendment.

### ("HIGHLIGHTS Continued on Page #10)

\* NOTE: The article "Plymouth Rock Laid An Egg" is a reprint from the "Individualist" C.O.Steele, Editor.

#### "HIGHLIGHTS OF THE MEETINGS" (continued)

Monday, June 19th: - In the absence of the President, the moeting was called to order by Miss Vivian Kiliaen-Rodney, Vice President.

Pete Ignatowsky, reported in place of Sidney Blitz, Chairman of the Advertising and Public Relations Committee, that said Committee plans to meet with the heads of the other Committees this following Wednesday for the purpose of planning the types and amounts of literature, etc., required for the balance of the year. Constantin Lent, Chairman of the Sports Committee, advised that a baseball team had been formed among the male members and suggested a basketball team for the girls. George Musalino announced that there were requests for a fencing team also. Gloria Fink, outgoing Chairman of the Entertainment Committee, reported that 27 members attended our recent picnic and a good time was had by all, after which Annette Webster, our new Entertainment Chairman, announced that SAGE'S next social affair will be a beach party at Orchard Beach on July 16th. She stressed the fact that "more and better" advertising of these affairs would insure their continued success.

Due to the necessary absence of Joseph Rose, Chairman of National SAGE, Geothe Musalino stated that activities in this connection are progressing and about one more meeting of this Committee should see the completion of the Constitution and By-Laws.

Ed Cooney, Chairman of our Motion Picture Committee, announced that starting in the Fall, we will continue our programs everyother week, and said that he intends to book the full program from September through December.

Ceorge Musalino reported that we are also going to be listed in the Classified telephone Directory.

Expenditures were approved for obtaining certain pieces of literature to be used in connection with attracting new members for SAGE.

A Farewell Open-House Party will be held on July 8th for Steve Manuel, our good member who is returning to his native Phillipines, there to spread the Georgist Fhilosophy.

Friday, July 7th: - Joseph B.Rose, Co-Ordinator of National SAGE reported that contrary to expectations, the Constitution and By-Laws will not be finished until the Fall, this being a matter requiring careful consideration.

Sidney Blitz, Chairman of Advertising & Public Relations, announced that some of cur new literature will be printed in color for mailing to the Spring graduates. Also some literature is being prepared for the use of the Speakers Bureau and for inviting other branches to form SAGE groups of their own.

Constantin Lent, Chairman of the Sports Committee, informed us that he would bring the necessary equipment for playing basketball at our coming beach party, July 16. Steve Manuel, our member who is returning to the Phillipines, made a short speech in which he assured us that he will continue his efforts to spread the Henry George Philosophy.

#### THE CONGRESSIONAL RECORD

The reprint of the Congressional Record enclosed with this issue of SAGE'S PAGES is well worth reading. It is interesting to note that the Honorable Robert Crosser is a member of Congress who understands and believes in the Henry George Philosophy, that same Philosophy to which all Georgists (SAGERS and non-SAGERS alike) are dedicated.

# CAN YOU GET THEM?

## 100

New Students to take the Fundamental Course in Economics effered by the Henry George School. That is the goal S.A.G.E. will try to attain by December 51st, 1950, through your individual efforts in distributing S.A.G.E. "Student Getting" circulars, cards, and pocket posters.

## CIRCULARS

and cards can be passed out and mailed to friends.

Pocket posters can be put up in Neighborhood Stores and Branch Libraries.

## MAIL

back the attached postal card to get yourself a quantity of S.A.G.E. "Student Getting" material now.

Thanks For Your Cooperation



# Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 80th CONGRESS, SECOND SESSION

## The Way to Peace and Justice

REMARKS

OF

#### HON. ROBERT CROSSER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES Saturday, June 19, 1948

Mr. CROSSER. Mr. Speaker, early in life, human beings realize that, to be happy, they must be in harmony with the laws of creation, the laws of life. In his desire to preserve and continue his existence, almost the first effort of the individual is to develop the skill and ability to enable him to "make a living." For some time then, the individual engages almost exclusively in the business of caring for himself. This confining of his attention mainly to what he regards as the immediate needs of the so-called personal self delays the individual's awakening to more active consciousness of his being and of the unity of creation. When, however, the individual does begin to realize that persistence in his limited consciousness of being prevents him from experiencing the possible activities and joys of life, he then gradually arouses himself to a more complete realization of the true nature of life and of the oneness of all life. His duty to others then becomes clearer to him.

In the practical affairs of life, therefore, people begin to realize that they can enjoy harmonious existence only by helping to promote the welfare of their fellow beings, by conducting themselves in harmony with the universal law of action governing all. In other words, harmonious existence requires the individual to regard scrupulously the welfare of those whom he regards as other and separate persons.

This means, from the standpoint of human government, that there must prevail absolute justice in the control of the earth, which is the source of all material things used by mankind,

How, then, can we assure justice in the distribution of the wealth derived from the earth? The answer, in brief, should be as follows: "Discover the natural law and in harmony with it enact and administer the laws of human governments."

#### CONCEITED NOTIONS

The earth exists and is governed in accord with universal law which is altogether just. That law is not in any way

dependent on the vain conceited notions of any human being, or group of human beings whose egotism craves the official power to direct the lives of all other people.

A proper understanding of the principles of political economy, and their correct application to the problems which distress the people, would soon bring about the reign of economic justice. The adjustment of men's conduct and actions, in harmony with the true laws of life, would thus be assured, and soon we would have the glorious rule of right with all of its joys.

Let us consider, then, the principles, which, if properly obeyed, will assure all men their rights, banish hate, and establish universal brotherhood.

#### HOW WEALTH IS PRODUCED

There are three factors engaged in the production of all goods. They are labor, capital, and what may be named as either natural resources, land or the earth. To assure, by law, to each of these factors its just share in what may be produced by the united action of the three factors, just named, must be the chief aim of true statesmanship.

Now, everything which people use or consume must be derived from the earth. Our first task, therefore, in our effort to find out what is the fair share of each of the three factors is to understand, first of all, what are men's rights in regard to the control of the land, called also natural resources or the earth.

First let us note that rightful ownership of anything whatsoever exists because the person claiming such ownership either has made what he claims to own or has given for it, something of equal value to someone who had rightfully acquired ownership of it.

#### ONE POWER CREATED ALL

One power is the sole cause of the existence of the earth's population. It is clear, too, that the power which produced the earth's inhabitants created also the earth itself. Certainly no human being ever created or could create a single particle of the earth. Reason requires us also to regard the one Power as the Father of the earth's inhabitants. If, however, the Creator is parent of the earth's beings, then we cannot reasonably believe that that power, the Father, would or could be unfair or unjust to any of His creatures. On the contrary, in-

stead of being unfair, He has provided equal rights for all His creatures in the bounty which He has supplied.

NO ONE OWNS THE EARTH

What then, with due regard for justice to all, is the true nature of men's rights in the earth?

Surely no person could be given exclusive ownership of the earth, or any part of it, without injustice to all other beings. No; on the other hand, the natural resources, the land, is the common heritage of all mankind and must be used on the basis of equal rights to all and special privilege to none.

In order to illustrate the true nature of man's rights in the bounty called the earth, furnished by the Creator, let us suppose that we are at the beginning of history, when we find but one man on the Whether you call that first man John or Adam, we may be sure that he will try to satisfy his desires with the least effort necessary. That is natural. He would, therefore, choose, for his use that part of the earth which, because of location or natural richness, will produce the largest amount of goods as the result of his labor. In other words, he would take the most productive part of the earth, and his labor would produce more from that part of the earth than it would secure from any other part of equal size.

After the first man, however, had taken possession of the best tract of land, the second man comes along and demands possession of the same tract of land.

#### WHEN REASON PREVAILS

The first man, of course, says that he will not give up possession because he, the first man, is the owner of the choice The second man then asks the first man for what reason the first man claims to be the owner, the exclusive owner, of the very best tract of land. The first man then answers: "It is mine because I saw it first." The second man then asks the first man: "Do you mean to say, because of the mere fact that the light was first reflected from this tract of land to your eyes instead of to my eyes that, therefore, you have the exclusive right and title to the best of all tracts of land?" The first man, being a reasonable person then answers: "Well, I must admit that the reason I gave you is not logical but, nevertheless, my right to this land is as good as yours."

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second man also admits that to be true. In order, therefore, to assure justice to both men, it is agreed by them that whatever amount of goods may be produced from the first tract of land, more than from the next best tract of land, by the same amount and quality of labor, is clearly due to the natural advantage in the first tract of land, such as its better location, its chemical elements, or because of some other natural advantage possessed by the first tract of land.

#### BASIS FOR FAIR DECISION

In other words, the first tract of land has greater productive power because of its location, its natural richness, or because of some other quality given to it by the creative power. Certainly, then, the greater production from the first tract of ground is not due to either the mental effort or physical labor of any human being. Such being the case, both men are entitled to equal shares in what is produced from the first tract of land, more than what is produced by like effort from the second best tract.

It is agreed, therefore, that the first man will finish his year's work on tract No. 1, and that the second man, for the same length of time, will apply the same amount and quality of labor to the next best tract of land of like area. They agree also that whatever is produced then from the first tract of land more than what is produced from the second tract, by the same amount and quality of labor by the second man, is due to the better advantages in tract No. 1, and therefore is to be divided between the two men at the end of the year.

#### PRINCIPLE ALWAYS THE SAME

This assures each person of the full value of his labor and also assures him of his fair share of what is altogether due to the better advantage afforded by nature in the first tract of land.

Now, whether the number of persons on the earth is 2 or 2,000,000,000, the principle just explained applies in the same way. Whatever part of production. from any part of the natural resources. called also land, is due to better natural advantage, such part of production surely belongs rightly to all the people in common, called society. Every person, of course, must be assured of possession of the land occupied by him, for the period of time for which he pays to society, or its government, the value of the amount by which the reasonably possible production from the land, occupied by him, exceeds the reasonably possible production, from a like area of the least productive land, occupied by any person.

#### WHAT BELONGS TO ALL OF US

The value per year, of this difference in productive power, is what is called economic rent. Whether it be industrial land, city land, or farm land the economic rent of such land is the value of what, by a certain amount and quality of labor, it will produce more than will be produced by the same amount of labor from a like area of the least productive land occupied by anyone.

Economic rent is the amount which is justly due to society, to all the people in common, for the right granted by society

for the possession of natural resources. Economic rent is, therefore, the only proper source from which Government should collect the money necessary to pay its expenses.

Instead, however, of using this just method, the method which would reward men for their industry and enterprise, resulting in better and increased production, the expense of Government has been wrongly taken by taxation, from what, by their own efforts, people have produced. This method of securing revenue to pay the expense of Government has discouraged enterprise and retarded business.

#### EFFECT OF UNJUST TAXES

The cost of Government has been paid from taxes unjustly collected from values created in goods produced by labor and capital. It certainly should be clear to anyone that all taxes put upon goods are penalties which hold back production. Surely, everyone can see also that such taxes increase the price of goods. They, therefore, lessen sales, because the higher becomes the price of goods the fewer are the persons who can afford to buy them and, therefore, the smaller is the amount of goods that can be sold. The demand for goods lessens, as the price of the same rises. That means less profit for the seller and less wages for employees.

The injustice and harm which results from such unjust system of taxation may be seen on every side and continue during every minute of our lives. All things men produce are taxed. The owner is taxed—in effect, fined—on account of every improvement he may make on his house, barn, garage, fence, or any other of the changes made by him, which may improve the living conditions of himself, his family, and in fact, of the whole com-

#### FINED FOR DOING GOOD

Instead of being encouraged to make progress and to improve the standard of life, and instead of being commended for doing so, men are taxed—fined—punished because they improve conditions. Some governments even tax the householder on account of every pane of glass he puts in windows to allow the daylight to enter his house to brighten it. Practically all of the different kinds of goods needed by the people for their welfare are taxed many, many times—in fact taxes are collected on account of the sale of everything used or consumed by people during their entire lives.

Now all taxes on building improvements and on all goods which increase people's comfort and health, must surely, unavoidably lower the standards of living and retard the progress of civilization.

All taxes on things produced by labor and capital reduce the sales of such goods. This is so because the taxes included in their cost price, increase the sale price of such goods. That, of course, makes it harder for people to buy the goods. The wages paid workers are then less, because less goods are sold, and so, of course, fewer workers are needed to produce the smaller supply of goods manufactured. That results in unemployment for many people. The unem-

ployed compete with each other in seeking the same jobs and offer to work for less than the regular wages in order to have a means of earning a living. Prosperity and progress are delayed, because governments, to pay expenses, take by taxation a big part of what is produced by labor and capital. Men are thereby punished for their industry and discouraged in their efforts to be enterprising.

Yes, every excise tax, sales tax, and every other like tax on the sale of goods, certainly, holds back business constantly.

Nevertheless, men are taxed more and more as they become more industrious and enterprising in the production of the comforts needed for a better general standard of living. Indefensible as is the taxing of men, as they become more industrious, more enterprising, and produce more goods—there results a yet greater evil. Because of the failure to collect government expenses, from the economic rent of natural resources, it is not expensive for the holders of the same to keep the resources out of use. This results in monopoly and deprives the people of the benefit of competition.

The failure to collect the expenses of government from the economic rent of natural resources, controlled by monopolists, causes the loss of vast amounts of revenue which would provide abundantly for the very best quality of government. Instead of doing this, however, people are taxed, punished, because they have been industrious in making useful goods and in improving property to make it more comfortable, more attractive, more sanitary, and better in every way for everybody.

#### HANDICAPPING "FREE ENTERPRISE"

Much has been said about the importance of free enterprise and individual initiative, and yet when people earnestly try to be industrious and enterprising, they are taxed—that is, fined—punished for their intelligent effort to be enterprising and for attempting to be industrious instead of lazy.

The true principle may be stated as follows: Justice requires that men be taxed according to the value of the privilege they enjoy at the hands of society, of government, and that they should not be taxed—fined—according to the effort they make to live decently and to be better citizens, and should not be punished by a fine—called taxes—because they use their understanding and ability to be enterprising.

#### FAIR AND SCIENTIFIC TAXES

The collection of the cost of government, from economic rent, is the fairest and the most scientific method of securing abundant revenue for the best quality of government. The value of land, and income derived from land, results from the presence and activity of society, of the community.

The market value of the land or natural resources exists because of the presence of population. In 1626 Manhattan Island, upon which New York City is located, was bought by a group of Hollanders from Indians for \$24. On December 31,

1934, the official value of the land, exclusive of improvements, was \$4,600,000,000. The land in and about the Cleveland Public Square originally had so little market value that it was used for pasture. Now the value of the land within a few hundred yards of the square is measured in millions of dollars. We could give an unlimited number of examples of like experiences involving great increases in the market value of land in all parts of the country. All of such increases in value are due to the same cause, namely, the increase in population. The increase in population results in the construction of more buildings, and the erection of new buildings requires much material and the employment of many workers. All this, of course, results in better business.

The improvement and increase in business raises the market value of the ground where such business is carried on. The presence of the greater population, the larger community, increases business, and the improved business increases the market value of the land. The value of the land was not created by the person who by chance may have had title to the land. Instead, the presence of the larger population, the larger community caused the increase in the value of the land.

#### COMMUNITY RIGHTS STRESSED

The yearly income paid to the owner of land was not in any sense earned by the owner but was due altogether to the presence of a greater number of people whose activity and enterprise helped to improve business in general. Certainly, then, the community which has caused the increased income from the land is entitled to collect from that income the cost of the community government.

It will now be admitted, I am sure, that serious injustice and great wrong have been suffered by the people because of the unjust and the unwise methods of taxation commonly used by governments to secure money to pay their expenses.

We have shown that land values and the income or interest on the values created by the presence of a larger population, the larger community, have not been paid to society, to the people as a whole, whose presence, industry, and enterprise created the land values and the income or interest paid on them.

#### PRIVATE PERSONS PROFIT

No; on the contrary, the increased land values and the income on the same have been handed over to private persons who were neither the cause of nor the creators of the land values or the interest or income paid on same.

The community's loss of the income on these increased land values, handed over to privileged private persons, is bad enough and violates every principle of To add insult to injury, howjustice. ever, after giving the economic rent to private persons, we next find that such governments, in order to pay their expenses, rob the people; legally, of course, of what they produce by their labors. If the family improves the home then it is taxed-fined. If people erect buildings and increase the value of the land in the neighborhood, they are taxed for putting up the buildings which improve the community.

#### LOW TAX ON IDLE LAND

On the other hand, the persons who hold their land idle—while it increases in value because of their neighbor's work, enterprise, improvements, and building—are not taxed, or are taxed but little on their increased land values. Taxes are put upon everything people make or buy from other makers to improve their standard of living, and improve community life. Business is retarded, the progress of civilization is slackened and halted because men are taxed—punished—for producing, to sell, things needed for the health, comfort, and refinement of the people in general.

There is a wrong, however, far greater even and much more harmful to the people than the loss of money caused by the failure to collect revenue from the land values created by the public; a wrong even greater than the taking by taxation, from the people, of a part of the value of what they produce by their labor to supply the needs of society and to make life more wholesome and pleasant.

#### OPENS THE WAY FOR MONOPOLIES

That evil consists of the monopolies, the power given to a few persons, as a result of the failure to collect from such persons the expenses of government from the values created, added to the land, by the presence and activity of the people, the community.

This failure to collect the cost of government from the income, created by the community's presence and activity, makes it possible and easy for the monopolists to hold out of use, or to use but inefficiently, the land or resources, in their possession. They can and do hold out of use, the land, the resources, because their refusal or failure to use them costs them little or nothing. While the land is held idle they are relieved of the necessity of exerting any effort. They need not use funds they may have, to carry on any business. The greatest wrong of all, however, consists of the fact that they can and do prevent other people from using the land.

#### WOULD SOLVE THE WAGE PROBLEM

Collecting the expenses of government, from economic rent, would make it impossible for anybody to monopolize the natural resources and to hold them for speculative purposes. The holders of land would be compelled, then, to make good use of the land or natural resources. in order to have the money to pay their taxes. Because the monopolizers would be compelled to use the natural resources, in order to have money to pay their taxes, they would need workers and there would thus be created a demand for labor. The owners of land, of natural resources, throughout the country, would be influenced and act in the same way and all industry, commerce, and agriculture would therefore flourish. Unwilling idleness would soon be unknown, and the so-called wage problem would settle itself. The wage problem would no longer exist because, if men were not paid fair wages and given good working conditions, they could go to fairminded employers who would be glad to hire them on just terms.

#### STRIKING EXAMPLE GIVEN

To illustrate what has just been said, let us suppose, for example, that all the known oil lands were located in Pennsylvania, Ohio, and West Virginia. and one or a few men were to have title to the full and unlimited ownership and control of the same, and could hold it out of use by paying trifling taxes amounting to not much more than the taxes on poor farm land, this is what would likely happen. The holders of such oil lands would use such part of the lands as might be required to supply kerosene-coal oil-to the people burning the same to make what was, at the time, a new kind of light. The oil landholders could then raise the price of coal oil as high as they might please, unless they should make the price so high as to cause people to stop using coal oil and to begin again to burn candles for light. Moreover, since the owners would be the only employers of expert oil workers, the monopolists could constantly reduce the wages paid the expert oil workers, unless they should reduce such wages to or below the level of unskilled workers' wages, and thus drive the oil workers to accept employment at work requiring no special skill.

#### GREAT RICHES NOT EARNED

We have here noted, and explained the injustice which was the sure result of permitting the private monopoly of oil lands. Like injustice would result from permitting the private monopoly of other natural resources such as iron-ore land, copper-ore land, zinc-ore land, lead-ore land, other kinds of ore land and land underlaid with coal, or land which, because of the presence of a large population, is valuable for factory or business purposes.

Private monopoly of natural resources, of any part of the earth, makes it possible for the few who are given such monopoly to accumulate great wealth, which they do not earn by either manual labor or mental effort. A far worse evil than the possession, by monopolists, of their unearned wealth, however, is the power which enables monopolists to keep others from using the land, the resources. Because monopolists are required to pay so little in taxes that they need not use the land to earn the taxes, the land remains idle without any risk to the holder, while it increases in value.

#### DEVELOP OR PERISH

The collection of the expenses of government from economic rent would put an end to the dog-in-the-manger monopoly control of the natural resources, and in no other way can monopoly be prevented. If even the larger part of the economic rent of land, of the natural resources, possessed by him, were collected from the owner to pay the expense of government, it would be necessary for him either to make good use of it himself or to allow someone else to use it. If he were to hold it without making good use of it, he could not afford to pay the tax, because he would be making no income with which to pay the taxes or rent. If he did not pay the taxes, someones else would do so and would have, then, the

#### CONGRESSIONAL RECORD

right to use the land. To make use of the land, however, it would be necessary for its new possessor to employ workmen and that would improve employment conditions, increase wages, and increase business in general.

#### COMPETITION NEVER TESTEB

Whether or not the possessor may have properly used the land, the expenses of government should be collected, of course, from economic rent. The economic rent exists because of the presence and activity of society, that is, of all the people, and the failure of the holders of land to use it is no excuse for not paying what they owe to the people, to the community. Moreover, its proper use, as required by justice to all the people, would produce the money to pay the taxes, and would also provide fair compensation for the user.

By the champions of that kind of government, which is planned to be administered according to the personal discretion and direction of official agents, we have been told that competition has been tried and has failed. On the contrary, the fact is that, in modern times, there has been no opportunity for true competition. Competition in the fundamental sense has not had a real trial.

#### FEW COULD NOT ROB THE MANY

Control of the great bulk of natural resources is in the hands of a comparatively few persons. The possession and control, of the greater part of the valuable natural resources, commercial sites and industrial land, enables the holders of the same, however, to put into their pockets large profits created by the presence and activity of large populations. After the monopolists have taken the unearned increment from what has been produced, the rank and file of the people are allowed to scramble with each other for a miserable existence out of what is left. Obedience to the principle, which I have discussed, would make it impossible for the few, even legally, to thus rob the many.

There has now been pointed the way to economic justice. When, in accordance with the principle just discussed, the reign of right will prevail, we shall cease to be harassed by industrial strife.

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The feeling of hatred and opposition will cease, and in their stead the spirit of cooperation and brotherhood will prevail.

#### THERE IS A PERFECT LAW

In the early part of these remarks I urged: "Discover the natural law and, in harmony with it, enact and administer the laws of human governments. Whether we call it the law of life, the law of nature, the law of creative power. there certainly exists perfect law and the adjustment of men's actions and conduct in harmony with that law will assure liberty and perfect happiness. Thomas Jefferson said: "The God who gave us life gave us liberty." We must understand, however, that human beings do not and cannot create justice. They can only discover, that is, become conscious of justice and its laws, established for the harmonious control of the universe. Men's actions and conduct and the laws of human governments should be brought into adjustment, into harmony with the law of creation.

#### SEE GRANDEUR OF CREATION

Often we hear the question: "Will there ever be adopted, by governments, as ruling law, the great principle, the fundamental and certain remedy, which I have just explained, for the brutal and cruel economic injustice which has caused such age-long suffering?"

For answer let me relate that many years ago, on a warm Sunday afternoon, in my room in a boarding house on Arch Street, Allegheny, in which city I was working for a few months prior to entering Cincinnati Law School, after graduating from Kenyon College, Gambier, Ohio, I had just finished an intense thorough study of the subject which I have just discussed. I put down the book and lay on my back on my bed. In a few minutes, I arose and began writing the lines which were finished a little later and which indicated my feeling as to the question just stated. I quote the lines, as follows:

Poetic lore has often told Of nature's blessings, manifold; And humbler prose, perhaps in mirth, Proclaims men equal on this earth. If this be true, why do we see The wretches men oft seem to be; Why see the poor forsaken waif Searching in vain for shelter safe?

One child, of God, first sees the light, Surrounded by gold and linen white; Another, nature's canopy sees, The earth his cradle, e'en that not his.

With dirge and funeral rites they lay The miser in his downy grave; But yonder poor old tott'ring serf Can hardly reach kind nature's berth.

How can we, suff'ring then, behold God's blessings ruled by weight of gold, His word construed by greedy wealth, His off'rings filched with sneaking stealth?

Courage, then, ye men, yet strong, Gird up your loins, go join the throng, Battle for freedom, long sung by the muse, Leave not a foeman, heed no flag of truce.

And when the din of battle's o'er, And selfish greed shall reign no more, We'll hasten forth, proclaiming then, Peace on earth, good will toward men.

These lines indicated my youthful confidence and enthusiasm for the great cause just discussed and after 50 years, the unwavering confidence of my youth is unhesitatingly confirmed by my more mature judgment. Right must and will triumph.

The unfettered operation of the principle which we have discussed would assure all men just compensation for their service and would give assurance of profitable employment at all times.

No longer then in fear of oppressors; no longer the victim of want or the fear of want, men's moral courage will be awakened and joyously will they obey their best impulses. In their spirit of freedom and with gladness, men will eagerly embrace the glorious principles of justice and they will earnestly strive to express the universal harmony of life. Then will disappear the meanness, the jealousy, the envy, and hatred which now blight the lives of men.

In the sublime cause of brotherhood, with songs of joy pealing from their hearts, with the spirit of justice shining from their eyes and in perfect unison will march the sons of men. Then will men be freemen and the grandeur of creation will be manifest throughout the land.

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