★ The Freeman ★

A MONTHLY CRITICAL JOURNAL OF SOCIAL AND ECONOMIC AFFAIRS

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Vol. VI, No. 4 FEBRUARY, 1943 Ten Cents

Of Time and Space

Time and Space,
I'm told by wise philosophers,
Are relative—
That man must have at least
Two points from which to measure space.
Can this be so?
And if I know, what matter
That my concept rests on mere relationship?
For this I know:
To me, unlearned, unschooled,
They are the same.
Without the one there cannot be the other.

Do not my muscles know the aches
That come from idleness,
While work is yet undone?
Have I not trudged past fallow field,
Enhungered?
And smelled wild orchards' rotting fruit,
Forbidden by man's law
To starving wandering families of men?
Have I not felt the chill of winter
Against my ill-clad bones?
And felt the greater chill when bairn of mine
Wailed while awake
And whimpered in the night?

Yes! I have measured space
And I have measured time—
But one against the other,
And not by gazing at the low-hung stars
To speculate on glories of our God
From where I stood.
Not with my children moaning in the night
Because of biting wind.
Not when the fallow field
And ready pungent orchard
Worked at my senses
With beating wings
To fan my hate.

For well I knew
Had I the Space where I might build,
Where I might sow new seed and grain,
Then I'd have Time
To reap and live,
To sow and reap again.
Then I'd have time
To still the longings of my bairn
And glory in the stars
And speculate
On God.

—George B. Bringmann

The Fifth Freedom

★ APPARENTLY THIS MAN Kaiser—Henry J. "Ship-in-Ten-Days" Kaiser, the newspapers are beginning to call him—is not one of those complacent souls who is satisfied with things as they are.

Engineers used to have certain ways of building bridges and dams. Along comes Kaiser—no engineer—and shows how to build them bigger, better and quicker. Result: Boulder Dam, Grand Coulee, Shasta, San Francisco Bridge and other eye-filling wonders. Not long ago a ship in sixty days was tops in naval construction. Kaiser said he'd do it in ten—and did!

The famous Four Freedoms have seemed adequate for most people. But up pops the disconcerting Mr. Kaiser and demands a fifth—Freedom to Produce—which shoots the other four pretty well full of holes. For freedom to produce would put an end to widespread unemployment and its twin evil, mass poverty, and thus assure "freedom from want." And it would just about guarantee "freedom of speech" and "freedom of religion," for history shows that these three naturally go together.

Our political, personal, civil and religious freedoms spring largely from the primary freedom to produce and exchange. The modern social order that superseded feudalism grew out of the revolts against restrictions to production and trade by baron, manor court and guild. Wherever fascism or communism has reared its ugly head to seize control of production, there personal and civil liberties have died. When Mr. Kaiser proposes "freedom to produce," he proposes the freedom from which all other real freedoms are derived.

It would seem that Mr. Kaiser is not only a builder, he is a thinker and an economist. If he will go one step further and demonstrate that he recognizes that the chief denial of freedom to produce inheres in the iniquitous institution of absolute private ownership in land, and that the condition is but worse confounded by artificially constructed obstacles to trade, the unpredictable gentleman is likely to get our vote for any public office he may choose to run for—and that is not said by way of idle jape and jest. What is more probable, however, is that Mr. Kaiser, like a distinguished gentleman of an earlier era, will not "choose to run."

—C. O. STEELE

The Hidden Hand

★ SECTION 801 of Revenue Act of 1942 provides for the renegotiation of war contracts made by the War Department, the Navy Department, the Treasury Department and the Maritime Commission. Whenever, in the opinion of the secretary of such department (or the chairman of the Maritime Commission), the profits realized or likely to be realized from any contract with such department, or from any subcontract thereunder, may be excessive, the secretary shall require the contractor or subcontractor to renegotiate the contract price.

However, the provisions of this section "shall not apply to any contract or subcontract for the product of a mine, oil or gas well or other mineral or natural deposit or timber which has not been processed, refined, or treated beyond the first form or state suitable for industrial use." And we further find in the Act, a clause which authorizes the secretary of a department in his discretion to exempt from renegotiation agreements for the purchase of real property, leases and license agreements.

The zeal in certain quarters to recover "excessive profits" apparently vanishes when incomes which arise out of economic rent are to be considered.

—JOSEPH JESPERSEN

★ The Freeman ★

A Monthly Critical Journal of Social and Economic Affairs

Published monthly at 10th and Scull Streets, Lebanon, Pennsylvania, by The Freeman Corporation, a non-profit corporation, at 30 East 29th Street, New York, N. Y. Officers and Directors: Lancaster M. Greene, Chairman; Anna George de Mille, President; Otto K. Dorn, Secretary-Treasurer; William H. Quasha, Counsel; Ezra Cohen, John C. Lincoln, Leonard T. Recker.

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The Freeman Corporation does not necessarily endorse opinions expressed in editorials, 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 writers contribute their services as a living endowment to the cause for which THE FREEMAN stands.

Entered as second class matter at the Post Office at Lebanon, Pennsylvania, under the Act of Congress of March 3, 1897. Single subscription, one dollar a year; five or more, eighty cents each. Title registered U. S. Patent Office.

Give 'Em a Chance

* IN LATE DECEMBER the nation was notified that the rationing of virtually all canned, dried and frozen foods and vegetables would become effective in February. In a broadcast deemed of sufficient importance to warrant the airways being cleared of all programs at the popular eight o'clock hour of a Sunday evening, Claude R. Wickard, Secretary of Agriculture, speaking as Food Administrator, explained the need for the drastic step and warned of future sacrifices on the part of the American people. According to the newspapers the suspension of programs on all stations was without precedent except in the case of an address by the President of the United States.

Public sentiment toward the measure will range from scornful antagonism, such as was expressed by Dr. Janet Rankin Aiken against a similar but far milder proposal in a letter quoted in the January FREEMAN, to enthusiastic approval on the part of New Deal bureaucrats so enamored of planning and regimentation, with the State prescribing everything from haircuts to hangovers, that they almost welcome the approach of national disaster if it but provide them the opportunity for putting their cherished plans into operation.

The great body of public opinion no doubt will rest somewhere between these extremes. Many will concede that the vilest dosage may be indicated in the case of virulent attack, but that does not mean that they will like it or will it blind them to the fact that the attack could have been averted by intelligent foresight and courageous action. Nor will they acknowledge the noxious treatment as anything more than a palliative of doubtful expediency.

To men and women of such mind, one paragraph in Secretary Wickard's statement will strike an ominous note. "The nations of the future must see to it," the Secretary said, "that their people have enough of the right kinds of food to eat. We have made a beginning toward this end. Now it is time to go further."

Actually, of course, the nations of the world must do nothing of the kind—not, that is, if their citizens are to lead lives of tolerable satisfaction in spiritual and material comforts—because such satisfactions can come only with a substantial measure of freedom. And the regimentation and planned economy implied in Mr. Wickard's statement are indicative of anything but freedom.

The thing we have to fear in this post-war planning is an excess of State power. We must be on our guard against what the late Justice Cardoza termed "the erosion of small encroachments." Secretary Wickard to the contrary notwithstanding, the one thing the nations of the future do not have to see to, it may be emphatically repeated, is that their people have enough of the right kinds of food to eat. Give the peoples of the world, regardless of race, creed, color or nationality, access to the resources of the earth by taxing land into use; give them freedom to exchange by breaking down tariffs and all other restrictions to trade and no bureaucratic administration in any country need set for itself the impossible task of telling its people what kind of food is the right kind for them, how much they should have or how they should get it.

The people themselves, given the opportunity, will take care of the getting. They will take care of it through the free operation of what the Socialists contemptuously term "the capitalistic system of industry"; through what Max Hirsch, in *Socialism, the Slave State,* describes as a "world-wide, continuous and unconscious cooperation almost too vast for the mind of man to grasp." And Hirsch adds significantly, "This system, which is carried on unconsciously and voluntarily, has been developed unconsciously. No government, no parliament, no king has created it, though all of them have hampered its growth, and still hamper it. It has grown, is growing, and is daily becoming more highly evolved by the unconscious action of men seeking to gratify their desires with the least exertion, and who in order to do this, have to comply with the natural laws which direct the actions of man in the social state."

Would that Secretary Wickard might ponder those words long and earnestly.

—C. O. STEELE

The Business Man—Stabilizer

In this article HENRY WARE ALLEN *of Wichita, Kansas, veteran commentator on matters social, economic and political, and a frequent contributor to* THE FREEMAN, *comes to the defense of the current underdog, known in happier times as the American business man. With the felicity of phrase for which he has long been famous, the sage of Wichita deftly punctures the myth that, by and large, Mr. Average Businessman, U.S.A., is anything other than a pretty good citizen after all.*

✶ There is an evident tendency in certain groups to place the blame for the economic ills which afflict society upon the profit system and consequently upon that class which is most directly concerned with profits, the business man. An illustration of this is to be found in "The Country Doctor," wherein the two business men introduced are both of them men of despicable character.

Seeking in the wrong direction for the cause of business depressions, the average economist arrives at the conclusion that the business man must be responsible for it all. Among politicians and social reformers business men are frequently referred to as economic royalists, holders of predatory wealth, princes of privilege, profiteers, tories and grasping landlords; and still more pointedly they are penalized by such legislation as the National Labor Relations Act which is notoriously unfair to employers. Again, the business man is burdened with steadily increasing taxation upon what are considered to be his excessive profits.

A careful investigation of the matter will demonstrate beyond question that this prejudice against business men is wholly unjustified and that, on the contrary, no group is doing more in support of what is best in our daily life than are business men.

It is in order that some of the daily problems which beset the business man should be considered. In order to survive the ordeal to which he is subjected, the business man must have exceptional qualities for success. According to the report of Dunn and Bradstreet, Inc., there were 11,848 business failures in the United States during the year 1941, and in addition there were thousands of cases not registered where fortunes large and small were lost in business ventures which proved disastrous. Every Main Street in America is a graveyard of countless business fatalities. These facts are conclusive evidence that the profits of business are not excessive but are at all times dangerously near to the vanishing point, that extreme effort is constantly exerted in serving the public at lowest possible prices, many sales being made below actual cost, average profits constituting an irreducible minimum.

The business man has to have the constant cooperation of his banker and this necessarily presupposes integrity of character and sound business judgment on his part. If a retailer, it is essential that he have a good location and this involves the responsibility for high rent. In the selection of his employees he must engage only those who are capable, prepossessing, and well-dressed. He must, therefore, be prepared to pay good salaries but within reasonable limits. He must have good windows and high-grade furnishings for the display of his merchandise to satisfy fastidious customers.

The business man must at all times observe the fiction that "The customer is always right." To please his customers is his constant endeavor. He usually provides an expensive free delivery service. He must be diplomatic with his employees and with the public. He must take memberships in various business, civic, and social clubs. He must subscribe liberally to charity drives and see to it that his employees do the same.

The business man must always be prepared with the weekly payroll whether business has been good or bad, and regardless of cash receipts. He must at all times be ready to deal satisfactorily with labor leaders when demands for concessions or wages above the normal level are made. He must carry on even when his place of business is being picketed by strikers. He must contend successfully with social reformers who condemn him for paying "shamefully low wages." He must avoid surplus stocks of unseasonable merchandise and styles that may go out of fashion.

The business man must pay cash for all purchases in order to save the discount which frequently constitutes his only net profit. He must give liberal credit to his customers without interest and must be careful not to press them too hard for settlements. He must be vigilant in avoiding the giving of credit to those who will never pay.

The business man must be prepared to write off a certain percentage for shoplifting and for non-collectable accounts. He must incur heavy expense for many different kinds of insurance, including governmental requirements for Social Security. He must assume the expense of collecting and accounting for state sales tax. He must be ready at all times to satisfy government inspectors that this work is being done correctly. He must be ever ready to render extra service without compensation and to pay supplementary taxes to the government, no matter how unreasonable such requirements may be. An illustration of this was the Processing Tax a few years ago which compelled merchants to invoice all goods containing cotton and to pay a heavy tax on the cotton. This law was afterward declared unconstitutional, but only a portion of the tax paid was refunded.

The business man must be prepared to pay the federal income tax which in effect takes the cream of his earn-

ings. This tax makes no allowance for those years in which heavy losses have occurred. In effect the government sits across the table from him and says, "Heads I win, tails you lose." He must engage certified accountants to prepare his income tax reports and if additional payments are mistakenly demanded by the government he must pay the cost of litigation in order to prove his case.

The business man in his daily life is in constant intercourse on a give-and-take basis with all kinds and conditions of men, and this gives him a better conception of the world he lives in than is possible in the more solitary life of the scientist in his laboratory, the artist in his studio, or the teacher in his classroom. These are all of a class which has necessarily but slight knowledge or understanding of the business world, its mechanism and its problems. And it is precisely for this reason that this more isolated class is prone to accept so easily the theories of the parlor socialist and consequent disapproval of "capitalism," the profit system and its exponent, the business man.

The business men of America constitute the most vital and important factor in our social structure. It is the class which, more than any other, supports the churches, the libraries, art museums, universities, hospitals, and other institutions of a higher civilization which are not provided for by taxation.

The business man wants no special favors. He likes his work and is true to the principle of "live and let live" but he is entitled to appreciation for his services to the community and freedom from ill-founded criticism. If by exceptional genius a Ford, a Woolworth, a Wanamaker or a Rosenwald shall have, in free competition, amassed a fortune of many millions of dollars this has been incidental to unusual service provided to others and should not in any degree be regarded as unearned profits. The business man creates wealth, he does not take it from others. The wealth of a nation is not a fixed quantity, like a box of poker chips, but is instead the limitless product of industry. A man like Henry Ford may add billions of dollars to the wealth of the nation and millions of dollars to his personal estate without taking a single penny away from anyone else. And the field is open under free competition for all others to do the same.

Those who condemn the profit system and who therefore favor State Socialism would by a single stroke abolish all of the responsibilities of the business man. Under State Socialism the incentive for personal efficiency and economy would be gone, there would be no apparent losses, all deficiencies would be made good by additional appropriations of public money. The cost of all merchandise would, of course, necessarily mount, but the socialist government would generously increase all salaries and wages accordingly. This is well illustrated in nearly every governmental business enterprise.

The vitally important fact to be kept in mind is that the business man is at present serving the public to its very best advantage. When a wholesaler, manufacturer, or retailer determines the price to be placed on his product, he consciously or unconsciously takes into account the fact that all of his competitors are doing the same thing and that he must therefore place upon his merchandise the lowest possible price which will pay him a reasonable profit. If his price is too low, this will invite bankruptcy; if too high, his sales will fall off and insolvency will then be quite as inevitable. Furthermore, under free competition, when any business man is for any special reason making unusually good profits this quickly becomes known and attracts others into the same line, thus bringing down those profits to a normal level.

As a result of this governing influence of competition, the successful business man as a rule has a profit at the end of the year which is no more than the equivalent of a normal salary, nothing more than a fair return for his services. Another controlling influence in business which protects the purchaser is the rule that honesty is the best policy. If a merchant misrepresents his product, if he charges excessive prices, if he gives light weights or in any other way tries to deceive the public, this invariably becomes known and sooner or later causes the downfall of the man who is foolish enough to experiment in this way. An active experience of sixty-five years in the business world leads to the conclusion that ninety-eight per cent of business men want to do the right thing and are constant in that endeavor in their daily transactions. Recently the president of a large wholesale house stated that this ratio should be more correctly stated as 99 per cent. It is to the interest of all concerned that the business man should no longer be regarded as getting more than his share of the national wealth but that on the contrary he should be accorded full credit for his invaluable services to society. The right procedure is to remove so far as possible all of the unnecessary burdens which now fall upon business and industry in order to liberate prosperity in accordance with the democracy of Thomas Jefferson and the perfected democracy of Henry George.

Trade is not invasion. It does not involve aggression on one side and resistance on the other, but mutual consent and gratification. There cannot be a trade unless the parties to it agree, any more than there can be a quarrel unless the parties to it differ. England, we say, forced trade with the outside world upon China, and the United States upon Japan. But, in both cases, what was done was not to force the people to trade, but to force their governments to let them. If the people had not wanted to trade, the opening of the ports would have been useless. . . . It is protection that requires force, for it consists in preventing people from doing what they want to do.

HENRY GEORGE

When the Lights Go on Again

In keeping with the recently inaugurated policy of prefacing each FREEMAN *article with a few words about the author and a hint or two as to what the thing is all about, it now falls to the present writer,* C. O. STEELE, *to say that the subjoined composition is nothing more nor less than some random thoughts on a somewhat rambling speech by a certain scholarly gentleman now much in the public eye.*

The author came to THE FREEMAN *as editor a year ago, after ten years on the editorial staff of* Standard Statistics. *His earlier background includes twelve years in Wall Street, and overseas service in the first World War. He is a member of the faculty of the Henry George School of Social Science and a lecturer on economics and sociology. He is married and makes his home in Forest Hills, N. Y.*

✶ IN his Woodrow Wilson anniversary address delivered in Washington the night of December 29, Vice President Wallace ranged from lofty idealism to pernicious economic nonsense. From such warming sentiments as "Yet even while warfare rages on and we of the United Nations are doubling our great drive for victory, there is dawning the hope of that day of peace, however distant, when the lights will go on again all over the world," to the prize asininity, "The 'new freedom' for which Woodrow Wilson fought was the forerunner of the Roosevelt 'New Deal' of 1933," the speaker regaled his listeners with fact, fiction, fancy and emotion-stirring sentiment, mixed with a dash of unblushing political buncombe.

It was Woodrow Wilson who said, "The history of human freedom is the history of the limitation, not the enlargement of governmental power." It was the progenitor of the New Deal who said, for the first time in American history, "The State owes its citizens a living." If there is any affinity between those two pronunciamentoes it is more than this keen and discerning eye can perceive. The first reflects the sage counsel of Thomas Jefferson, who held that the least governed state is the best governed state; of Herbert Spencer, who wrote in 1850, "Be it or be it not true that Man is shapen in iniquity and conceived in sin, it is unquestionably true that Government is begotten of aggression, and by aggression." It is the forerunner of the shrewd observation of Jose Ortega y Gasset, who, writing of the accretion of State power in 1922, said: "This is the gravest danger that today threatens civilization: State intervention, the absorption of all spontaneous social effort by the State; that is to say, of spontaneous historical action, which in the long run sustains, nourishes and impels human destinies." It is a fitting prelude to the Henry L. Mencken statement of 1926 to this effect:

"It (the State) has taken on a vast mass of new duties and responsibilities; it has spread out its powers until they penetrate to every act of the citizen, however secret; it has begun to throw around its operations the high dignity and impeccability of a State religion; its agents become a separate and superior caste, with authority to bind and loose, and their thumbs in every pot. But it still remains, as it was in the beginning, the common enemy of all well-disposed, industrious and decent men."

To say that Woodrow Wilson's "new freedom" and the current economic philosophy known as the New Deal have anything in common is like saying that a horse chestnut and a chestnut horse are one and the same. If Vice President Wallace, born and reared in the old school Republican party tradition, the son of a father who, as Secretary of Agriculture and a successful politician and country editor, was opposed to practically everything that Woodrow Wilson stood for, holds that the two schools of thought are even remotely similar, he is either less intelligent than one would suppose or less honest than one would like to think.

When Mr. Wallace, speaking of the machinery that must be set up to cope with post-war conditions, says that "the aim would be the maximum of home rule that can be maintained along with the minimum of centralized authority that must come into existence to give the necessary protection," we are ready to rise and cheer. In many ways Shanghai is nearer New York today than was San Francisco but a generation ago. To say that we can hold ourselves aloof in so small a world as this has now come to be, that we can refuse to play our part, to assume our responsibilities in the making of the peace, that we must again turn to the old isolationism that doomed the World War I settlement to failure and undermined the League of Nations, would be to proclaim ourselves a nation of incorrigible nitwits who had never learned anything and never would. But when the Vice President goes on in the next breath to say, "We must recognize, for example, that it is perfectly justifiable for a debtor, pioneer nation to build up its industries behind a protective tariff," we slump in despair at such an exhibition of economic illiteracy in high places; and the added statement that "a creditor nation can be justified in high tariff policies only from the standpoint of making itself secure in case of war," does nothing to alleviate the mortification.

Practically every nation on earth is in debt to the United States. Does that unpleasant fact justify the erecting of tariff barriers by each to keep out American products? If the Vice President is correct in his reasoning, it does. This country in turn wants to feel that it

would be secure in case of war. Does that mean then that to attain that security we must raise an unsurmountable tariff wall to shut us off from the other nations of the world? Mr. Wallace's reasoning permits of no other conclusion.

This is not the time to give the Vice President of the United States a lesson in fundamental economics but some one should explain to the distinguished gentleman that the only "secure" man is the fellow who is in jail, that the only truly self-contained community is a cemetery. He need but look to the history of his own country to find a complete refutation of his belief that a pioneer nation needs tariff protection in order to develop its infant industries. Industrial America had its earliest development along the eastern seaboard. The output of manufactured goods in wide variety had reached substantial proportions in the coast settlements while territory but a few hundred miles to the west was still virgin forest. That territory would be virgin forest today if its industrial development had depended on a tariff wall for protection against the well-established industries of the East.

Pittsburgh, center of the nation's gigantic steel industry, source of electrical goods and equipment in common use in every civilized country on the globe, would be merely a good hunting ground or, at best, a community of farms. The pottery and tires of Ohio, Detroit's vast automotive industry, the extensive manufacturing activities of the Pacific Coast, fabulous Hollywood—all would be lost, not in the limbo of long-forgotten things but in the mystical Never-Never Land, if their development could have been accomplished only behind a tariff wall which would have shut out the competition of the manufacturers of New York and New England. For, as Mr. Wallace must know, there were no tariffs between states of the Union in those days.

Even more preposterous is the inference that a nation can make itself secure by high tariff policies in case of war. The peril through which this country has been fighting its difficult way for more than a year is greatly intensified by the fact that we admitted too little from abroad, rather than too much, in the years preceding our entrance into the war. What would we not give today for adequate supplies of such vitally-needed raw materials as rubber and tin from Malaya, manganese from Russia, India, Brazil, or wherever else it could be obtained if only we had the ships and could bring it to our own shores in safety? Our own manganese industry is still in the "infant" stage, producing less than ten per cent of our needs notwithstanding that it has long been "protected" by an import duty of nearly ninety per cent.

The United States is probably more nearly self-sufficient than any other nation on earth yet a statement from the War Department shows that during the First World War we were forced to look to other countries for no less than thirty commodities that were highly essential to the war effort. In normal times the steel industry alone regularly imports some forty needed commodities from fifty-seven countries. As to the effect of self-sufficiency on our national well-being, did this country's outstanding position in that respect give us prosperity through the nightmare of the Thirties?

Shutting out foreign goods in order to make ourselves secure in case of war would defeat its purpose by the dual method of lowering our capacity to wage war and at the same time making the occurrence of war more probable. In normal times many of the items going into our daily requirements in food, clothing and shelter come from abroad. For these, no doubt, or for most of them, we could in time find reasonably satisfactory substitutes, but a substitute is always inferior; otherwise it would not be a substitute. Our standard of living would quickly decline. Few will contend that a lowered living standard would make for a higher calibre of fighting men. Our civilian population is today submitting to an increasingly strict program of rationing only because of the belief that our armed forces must have nothing less than the best in food, clothing and shelter.

By the same token the quality of our fighting equipment—ships, guns, tanks, all the vast paraphernalia of large-scale slaughter—would quickly deteriorate. You don't make first-class implements of war out of second-class materials. Our merchant marine would largely disappear from the seven seas. Old-time tariff advocates to the contrary notwithstanding, you can't make trade a one-way street. You can't sell abroad without buying there. Ships would lie idle. Shipbuilding—not only because of the lack of need for ships but also because of the poorer materials and higher costs resulting from high tariffs—would become something of a lost art. And yet naval men the world over are agreed that the building up in peace-time of a huge merchant marine is a vitally important part of preparedness for war.

Since our refusal to buy foreign goods would make it impossible for foreign nations to buy anything from us—unless we repeated the incredible folly of lending them the money with which to pay for what we sold them, as we did in the Twenties—friction between those nations and ourselves would immediately arise. For, however stupid we might be in the circumstances, it is most unlikely that they would regard with complacency our efforts to bar them from the many raw materials and manufactured articles in which this country excels. One of the few demands of the Axis countries which had any real justification was that they must have access to the raw materials of the earth, wherever located. And we have only to go back to the Smoot-Hawley bill in 1930 for evidence of the repercussions which invariably follow the enactment of a high tariff measure.

During the making of that piece of legislation, twenty-six nations protested officially against its contemplated

In a free society the State does not administer the affairs of men. It administers justice among men, who conduct their own affairs.

WALTER LIPPMANN ("The Good Society")

rates. After its passage more than a thousand American economists urged President Hoover not to sign the bill. Following its enactment no less than fifty nations took action against the United States by raising their tariffs, or establishing quotas, special import duties or embargoes. It might be added that world trade fell from $68,000,000,000 to $23,000,000,000 a year, and that the unprecedented unemployment of the Thirties was largely a result of this drop. In 1929 United States exports provided a livelihood for 2,585,000 families; in 1932 the number had dropped to 967,620. The strain that would be put upon international relations by the attempt on the part of any one nation to make itself self-sufficient through the instrumentality of tariffs can easily be imagined. Developments would be conducive to anything but peace.

Mr. Wallace speaks of this country having given away billions of dollars of stuff to foreign nations in the decade of the Twenties because prevailing high tariff laws prevented our taking their goods in exchange, and so we took bonds of doubtful value, and he deplores "high-tariff, penny-pinching, isolationist policies which hide under the cloak of 100 per cent Americanism." All of which makes it but the more difficult to understand his views on tariffs for the protection of pioneer nations and to make a nation secure in case of war.

When the Vice President says that we, or the United Nations, must supervise public education in the vanquished nations after the war has been won, he is coming pretty close to the policy which has been followed by the dictators themselves in the Axis countries. The Germans, Japs and Italians, adults as well as school children, have long been told not only what they may say and read but even what they must think, and woe betide the unlucky individual who is so much as suspected of stepping over the lines. To most of us who like to boast of our four freedoms—freedom of speech, freedom of assembly, freedom of religion and freedom of the press—the position will seem distinctly un-American. It was bad enough to have the dictators tell their own people what to think; that we should take over the job is unthinkable.

It is possible, of course, that Mr. Wallace had no such thought in mind; his statement, unfortunately, is not so clear as could be wished. The following is what he did say:

"The United States must back up military disarmament with psychological disarmament—supervision or at least inspection of the school systems of Germany and Japan, to undo, so far as possible, the diabolical work of Hitler and the Japanese war lords in poisoning the minds of the young."

A careful perusal of the somewhat lengthy speech leaves the reader with the clear conviction that the Vice President is a statesman of the highest ideals and a gentleman of the old school.

Now if he could only be brushed up a little on his economics. . . .

The Lion Has Velvet Paws

Social Insurance and Allied Services, *a report by Sir William Beveridge, English economist, to the British government, has just been published in this country, and has been the subject of acclaim and attack in newspapers and magazines throughout the nation. In the following article,* Margaret Harkins *assistant editor of* THE FREEMAN, *discusses certain phases of the plan in their relation to global economy in the post-war world.*

★ There is a signpost for this century of ours—a direction-marker bearing the label, *Social Insurance*—and it points the way straight to the center of humanity's great dream of a new and better social order in a post-war world. Millions of pilgrims, footsore and weary, have already streamed past this signpost, paused to get their bearings, and then rushed forward in the certainty that here at last was the way and the truth opening before them in splendid promise. And now, dramatically, out of the gloom of England's dark hour, the figure of Sir William Beveridge emerges; he gives voice to the stifling fears of his countrymen; he knows their great anxiety about the nature of the peace that will follow a victorious war; he is an economist and he speaks words of economic comfort about such practical concerns of post-war life as food and shelter; he goes further—even to the practical concerns of death, and advocates state-paid funerals for all. And his price? his method? National social insurance—made possible by a system of weekly purchases of insurance stamps.

A nation's strength, at any point in its history, is but the reflection of its prevailing social philosophy. In the early days of empire-building England's founders chose the lion, king of the jungle, as a symbol of the power of their State. Round the world and back again was heard the roar of the mighty beast, accompanied by slash of fang and claw. Today the lion still reigns symbolically as before. But he has changed. He has grown older, wiser, even fatherly in his viewpoint. Now he stalks softly on velvet paws.

The taming of the lion was bound to come about, of course. In modern streamlined civilization there is no place for the fang and the claw, however brutal present substitutes may seem. But unfortunately, a tamed lion is usually a caged lion, a sorry-looking beast that a jungle brother would hesitate to acknowledge before strangers. Something happens to his spirit and his heart,

the light in his eyes goes dim, and his once-sleek coat seems in need of a mothproofing treatment. As the tide of old age creeps slowly over him he longs for rest and comfort, and he hopes that the noisy, demanding throng outside will go its way in peace and quiet too. He sleeps; he dreams. Under the bewitching spell he sees it all quite clearly—what he needs, what all the world needs, is a good all-in scheme of social insurance,—perhaps something with a touch of magic in it to ward off the evil eye.

And what of the other dream? humanity's dream? The human mind has a way of escaping from cages, of ignoring obstacles such as bars. So even while living within the State which it has created, even while struggling to rid itself of the problems it has invited, another part of it has triumphantly soared to that high mountain-top of conscious achievement, and like Nehemiah of old, refuses to turn back: "I am doing a great work so that I cannot come down; why should the work cease, whilst I leave it and come down to you?" Why indeed? when that great work is one of freedom.

Thus, since the State is but a reflection of the mass-consciousness existing within its borders, it is apparent that State economy must of necessity be representative of a common denominator of intellectual and spiritual achievement of its citizens. There will be lower levels and higher ones reached by certain individuals, but the State will always reflect the desires of the majority. Herein lies the great danger of regimentation, of social planning based on rules that are bound to interfere with the freedom of the individual. So long as the people keep the reins of power in their own hands, so long as they retain a vital, creative interest in the State, they can attain to any degree of freedom of which they are capable. But the moment they slump into inertia their creative activities deteriorate into a simple vegetative process, their force of vital energy passes over into the State, and they find themselves without dominion, living in the shadow of a monster which was once their friend.

During the years since World War I this vegetative process has been spreading at a rapid pace. In one nation after another individuals have renounced personal responsibility in favor of State control. This has manifested itself in many forms, under different names, and in varying degrees, according to the temper of the people involved. But regardless of the name, this global attack of mental and moral lethargy, for such it seems to be, is apparently running its course and the close of World War II should mark its end. As Sir William writes in his report, "Now, when the war is abolishing landmarks of every kind, is the opportunity for using experience in a clear field. A revolutionary moment in the world's history is a time for revolutions, not for patching."

Despite his own words Sir William apparently disbelieves himself, for he goes to work with a will, and in a total of 299 pages, he patches vigorously. He proposes the establishment of a compulsory savings plan, a form of state insurance covering every man, woman and child in England, from the cradle to the grave, against *almost all forms* of personal want or insecurity. The scheme provides for old age pensions, and for benefits to meet many other needs, including maternity, widowhood, guardianship of children, funeral expenses, sickness and accident, and training for new occupations. The major benefit, of course, has to do with unemployment, but, Sir William hastens to explain, "one cannot very well insure a person who has no employer—a shopkeeper or a farmer—against unemployment, or insure a person who does not earn by his work against losing earnings when he is sick. But for the things which everyone needs—pensions in old age, medical treatment, funeral expenses—everybody will be insured." He adds that such unemployment benefits as are distributed "will not be sufficient to bring prosperity, nor can the scheme solve cyclical unemployment, but it might cushion the rigors of depressions."

This, then, is the "patch" which the British government is being asked to apply for the benefit of its people in 1945, when, after years of blood, sweat, tears, and war-winning, it is assumed they will be able to return to a normal peacetime existence. That there is little prospect that the scheme will be adopted by the present predominantly Conservative Parliament is the consensus of news reports reaching this country. However, it is generally agreed that it is the longest step Great Britain has ever been asked to take in the direction of economic reform, and while it may be doomed it will no doubt form the basis for the post-war political struggle in England where the people, even while fighting, are dreaming their dreams of a new kind of freedom. And it is becoming increasingly apparent that many of the dreamers have discovered that leaders, in instituting reforms, are often inspired by a profound distrust of the "little people" whom they propose to benefit.

Sir William explains that he undertook the preparation of the report in order to suggest a method for the elimination of five giant evils: want, disease, ignorance, squalor and idleness. "Of the five tasks," he adds, "the first three raise no major political issue. They can be dealt with by agreement. The last two, squalor and idleness, may raise political issues as to ownership and the use of land, as to the place of private enterprise and the profit motive in the direction of industry and as to the function of the state." In another interview, Sir William speaks of the Atlantic Charter and its aims of securing for all, improved labor standards, economic advances, and social security. "My plan," he explains, "is to turn the words, *social security,* from words into deeds."

This mention of the Atlantic Charter introduces a note of internationalism into the proposal. Immediately the question arises: How far can the post-war State go in planning for all-in social security for its own citizens? Not far, to be sure, if the new peace is to bring a better world order in its wake. For social security, in the real meaning of the term, must be based, not on an insurance scheme, but on a sound economic order, global in scope. And a sound economic order can be based on only one factor—men's equal right of access

Calling Gunga Din

This interesting little story of how American Doughboys are making progress in the art of gratifying their desires with the least exertion, however new and strange their surroundings, is reprinted, by permission of the Editors, from The Beam, *a publication issued in the interest of the personnel of the Army Air Forces Basic Training Center No. 7, Atlantic City, N. J.*

The article is presented to FREEMAN *readers not only for its news value but because of the social significance of the picture revealed by the glimpse at a tiny segment of life among the teeming millions of Mother India, that strange land, now more than ever seething with unrest, and torn by the conflicting aspirations of the various sects making up its long-exploited masses.*

The author is Pfc. Thomas Sheehy.

* AMERICAN DOUGHBOYS in India and Africa are reported to be discovering ways and means of making life easier which British Tommies have known about for some time.

In India, especially, the English soldier has led a unique military existence. Available to Tommies are the services of native bearers, or batmen, whose sole duties are to look out for the welfare of their masters.

Even before the Indian equivalent of reveille awakens the Tommy for his day's duties, his batman is at work to make him presentable. The bearer shaves his master in bed with as little disturbance as possible, later returns with a morning cup of tea, then helps the soldier dress and equip himself for the day's work.

Finally after the Tommy has gone about his duties, the batman shines extra shoes, polishes buttons, presses uniforms and delivers soiled clothing to the "Dhobi Walla," the post laundryman. His master's every desire is taken care of; and for all this service the native receives the princely salary of eight annas, or roughly 16c, per day.

Meager as these wages may sound, they are as closely regulated as those of the members of any American union. An example of how the Indian guards his living standards was noted in a large camp recently. The camp received a big contingent of replacements. The second week that they were there the food became so bad that it was inedible. Complaint mounted on complaint but the apparent cause was not reached. Finally the old-timers on the post explained that this was the native cooks' way of protesting the fact that the new troops were paying their men 12 annas a day. And sure enough, as soon as the men cut their servants in pay, the meals became as delicious as anything that has ever caressed a ravenous soldier's palate.

But even with all this attention, the Tommy still has no picnic. In some regions the heat is so great throughout the day that the troops are forced to rise and drill from 3 to 6 a.m. The sun, if they were exposed to it constantly, would drive them to madness.

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to the earth, the source of all production. When peace comes it is hoped that all Allied peoples will face the fact that there is no form of insurance that will compensate for economic ignorance, and that this will give them courage to insist upon something better than the dole, a word that is bitter even when disguised by a synonym. And it is hoped that they will know and understand that their welfare is tied up with that of the coolies of China, the untouchables of India, and even with the nazified hordes of Germany. This, then, is a vital hour—one in which every individual, within conquered nations and outside conquered nations, should establish within himself a true mental concept of the word, *freedom*. Freedom of thought, even in the mind of a slave, is one form of insurance that will start paying dividends immediately.

This is not the time for the people of England, or of any other nation, slave or free, to be talking over plans for enjoying old age, poor health, or a last journey of pomp and ceremony to the local cemetery. For if war *is* death, peace *is* life, and life in abundance. Let us not delude ourselves into thinking that peace will settle for lesser compensations. We have tried to cheat peace before—remember?

Let us beware of the lion with velvet paws! He has long since forgotten his days of winning strength and vitality, when he was free and life was running swiftly in his veins! *This is the hour of individual responsibility.* The State cannot and will not be a social parent, however desirable such protection may seem in a time of weariness and danger. For the State, cut off from the vital, creative forces of its citizens, becomes but a routinized automaton. The caged lion has only to sleep and dream. Nice, paternalistic dreams in which he arranges everything comfy for the nice people outside. All they need do is work for him and he will take all the responsibility, insofar as his cage permits, even to saving their money for them and paying them when they can't work. That is, unless they happen to be shopkeepers or farmers, in which case—well, a lion, especially an old, slightly motheaten lion, can't be expected to think of everything!

A Vindication of George

From Auckland, New Zealand—a country that does not seem so far away from us now as it used to—comes JUSTICE P. J. O'REGAN'S *"A Vindication of George." His Honor was inspired to write it by Father Fichter's article in our February, 1941, number on "The Revival of Georgism." Justice O'Regan is a native of New Zealand of Irish stock, a member of the New Zealand Bar and sole Judge of the Compensation Court, a tribunal with exclusive jurisdiction in cases of accident arising under the Workers' Compensation Act. Widely read and an eloquent speaker, he is in much demand as a lecturer throughout his native land.* ¶ *The article, including the editorial foreword, above, is reprinted by permission from the December issue of* The Catholic World.

✶ I WAS WELL-PLEASED with Father Fichter's article, "The Revival of Georgism," which appeared in *The Catholic World* of February, 1941. Henry George has been misrepresented badly, and I regret to say that Catholic publicists must be reckoned among the transgressors. Yet his teachings are so clear and convincing that, as Father Fichter puts it, "even the man in the street can learn the simple scheme so well that he can teach it to others." Herein lies one of the reasons why "the Prophet of San Francisco" has so many exponents among the generality of mankind, and herein probably also is the explanation why the learned economists who fill chairs in the seats of learning affect to ignore him. That political economy is the simplest of the sciences is a proposition untenable among those who are wont to invest it with that nebula of mystery which seems to enhance the importance of its expositors!

One set of critics brackets George with the Socialists. Every follower of his, however, will say with Mr. Chodorov, "Actually we are the greatest individualists in the world." With the Stoics of old we say that every man is committed primarily to his own care. We maintain further, however, that every man has a natural right to equality of opportunity to enable him to carry out his task. That we maintain the doctrine of natural rights in itself suffices surely to say that we are not Socialists.

The Socialist has no patience with what he calls "the capitalistic system," and so he desires to sweep it away utterly. He gives us no definite scheme whereby we are to attain that end, but there are Socialists who do not shrink from revolution, and they tell the workers that they have "a world to gain and nothing to lose but their chains." The Marxes and the Gronlunds scout the idea of natural rights. They are avowed materialists in whose view the State is absolute, and so they have no real conception of liberty. I remember that Gronlund, sometimes called the Marx of America, in the *Co-operative Commonwealth,* quotes approvingly Hegel's dictum that it is only in virtue of his being a member of a well-organized State that the individual has any rights at all! Accordingly the Socialist would place everything under the control of the State. He calls his ideal the "classless State." It never occurs to him that such a social monstrosity would govern through an inquisitorial bureaucracy, the members of which would be the worst of tyrants.

In the denial of natural rights the Socialists are in agreement with our scientists who proclaim pontifically "the struggle for existence." Long ago that pretentious impostor, Malthus, explained the paradox of poverty in the midst of plenty by the theory that population is constantly pressing beyond the means of subsistence, and then came Darwin to tell us that his doctrine of the struggle for existence was that of Malthus applied to the whole animal and vegetable kingdoms! Let us see how George, in his matchless refutation of Malthus—Dr. Halliday Sutherland calls it "a masterpiece of the language"—states the issue:

"Here is the difference between the animal and the man. Both the jayhawk and the man eat chickens, but the more jayhawks the fewer chickens, while the more men the more chickens. Both the seal and the man eat salmon, but when a seal eats a salmon there is a salmon the less, and were seals to increase past a certain point salmon must diminish; while by placing the spawn of the salmon under favorable conditions man can so increase the number of salmon as to more than make up for all he may take, and thus, no matter how much men may increase, their increase need never outrun the supply of salmon.

"In short, while all through the vegetable and animal kingdoms the limit of subsistence is independent of the things subsisted, with man the limit of subsistence is, within the final limits of earth, air, water and sunshine, dependent upon man himself. And, this being the case, the analogy which it is sought to draw between the lower forms of life and man manifestly fails."

Thus George throws down the gauntlet to the Darwinians. He never employs demagogic platitudes. Such phrases as "the capitalistic system," "the capitalistic means of production," "the master class," etc., never mar his regal composition. On the contrary he realizes, as Adam Smith does, that there is a natural order in human society, that natural laws are infinitely wise and beneficient, and that the ills afflicting us are due solely to men's failure to conform to them. In other words, though there is clearly something amiss, there is

more to admire in human society, even as it exists, and so what is required to correct it is not revolution, but reform. The marvelous fact about human society is that it exists without any man taking thought, and its mysterious and unfailing efficacy arises from the specialization of function incidental to the division of labor. To illustrate: I am writing this article in the Supreme Court Buildings at Auckland, New Zealand. I shall presently enclose it in a frail envelope and write thereon the address, really my instructions to the many people whose duty it will be in the course of its transit to obey. In due course it will reach the Editor of *The Catholic World*. The liner in which, with thousands of other letters, it will be conveyed across the ocean is manned by people I can never know. Yet they will do their work as thoroughly as though I had specially employed them! To enable me to read the newspaper this morning, men have been at work throughout the world while I slept, some gathering news and committing it to writing; some transmitting messages, others at this end of a cable thousands of miles long receiving them; some casting type throughout the night, and everyone whose labor contributed to the production of that newspaper—the correspondent at the war front, the telegraph operator at the other side of the world, the men who mined the metal out of which the type was made, the men who ran careful eyes over the proofs, the maid who pushed the paper under my bedroom door—have all been co-operating to enable me to read the news! Words cannot describe the tenderness with which the mother rocks the cradle to induce her babe to sleep, but the engine-driver of a railway train or the man who steers an ocean liner is not less careful about the passengers who eat, sleep and live their lives on board, though he knows them not! As George puts it in the first Chapter of *Progress and Poverty:*

"Keeping these principles in view we see that the draughtsman, who, shut up in some dingy office on the banks of the Thames, is drawing the plans for a great marine engine, is in reality devoting his labor to the production of bread and meat as truly as though he were garnering the grain in California or swinging a lariat on a La Plata pampa: that he is as truly making his own clothing as though he were shearing sheep in Australia or weaving cloth in Paisley, and just as effectually producing the claret he drinks at dinner as though he gathered the grapes on the banks of the Garonne. The miner, who, two thousand feet underground in the heart of the Comstock, is digging out silver ore, is in effect by virtue of a thousand exchanges, harvesting crops in valleys five thousand feet nearer the earth's center; chasing the whale through Arctic icefields; plucking tobacco leaves in Virginia; picking coffee berries in Honduras; cutting sugar cane on the Hawaiian Islands; gathering cotton in Georgia or weaving it in Manchester or Lowell; making quaint wooden toys for his children in the Hartz Mountains; or plucking amid the green and gold of Los Angeles orchards the oranges which, when his shift is relieved, he will take home to his sick wife. The wages which he receives on Saturday night at the mouth of the shaft, what are they but the certificate to all the world that he has done these things —the primary exchange in the long series which transmutes his labor into the things he has really been laboring for?"

This is the co-operation that makes civilization possible—that which Adam Smith calls "the natural course of things," but which Bastiat calls a miracle. Thus there is much to admire in human society. We must admire the perfect efficiency with which men work for each other, yet without any man taking thought. The machine works without visible direction because, as Adam Smith puts it, every man in working for himself is "led by an invisible hand" to work for others. "Well roars the storm," says Tennyson, "for those who hear a deeper voice beyond the storm," and we have only to contemplate the matchless mystery of civilized society to see the supernatural!

But if all this be true, what is wrong with the world? If there be no struggle for existence as between man and man, how can we explain the facts of everyday life? How are we to account for the fact, so vividly depicted in the May, 1941, number of *The Catholic World* in the article, "The Arabs of the Asphalt," that "tens of thousands of families are wont to pilot tens of thousands of heartbroken jallopies over California's super-highways in search of work?" George supplied the answer more than sixty years ago in *Progress and Poverty*. People are workless because they are disinherited. A few grow richer while the masses grow poorer, because the community-value of land—"the common fund whence common want should be met"—is misappropriated by a few. It is this great primary wrong which leaves strong men starving and powerless in the midst of abundance; it is this which crowds human beings into hideous slums; it is this which makes the masses poorer as the community grows richer; it is this which constitutes the social problems pressing everywhere for solution, whether in California, in Mexico, in Chile, Australia, or elsewhere, for, as George puts it, "at the bottom of every social problem we shall find a social wrong." Assuredly there is no greater wrong than to deny men their natural and inalienable right to the land of their country. Place the unemployed in any community on some unoccupied territory, Crusoe's Island, for example, and, although they would be stripped of many of the conveniences of civilized life—electric light, paved streets, cheap tram service, etc., they would make a living. As a matter of fact I have in mind a case of shipwreck near at hand. In 1907, the ship, *Dundonald,* was wrecked on the uninhabited Auckland Islands south of New Zealand, in the Antarctic Ocean in fact. Cold and hungry the survivors struggled ashore on the bleakest island of the group, well-named Disappointment Island. A year later they were rescued and brought to New Zealand all well. They had to construct mud huts, to catch sea-birds, seals and fish. They had a hard struggle, but they survived because they had free access to nature. They had no unemployment relief, no social insurance, but they paid no rent, and by applying their labor to the wild forbidding earth they produced food. In a modern city they would have

Land is as significant a factor in the dimension of the most highly organized urban industrial economy as in that of farming; it performs a basic function in the production and distribution of all wealth.

GEORGE RAYMOND GEIGER, PH.D.

starved unless they had been relieved by charity.

The remedy prescribed by George is clear, practicable, and efficacious: By the lawful use of taxing power we would divert the rent of land into the public Treasury, at the same time cancelling other taxes falling on the produce of labor. Incidentally some of the rent of land is taken in taxation already, but we propose to take it all. This is what George called a policy of true conservatism, the effect of which would be to save the masses, "the repository of ultimate political power," from becoming the prey of demagogues. Since George wrote the demagogues have been in evidence everywhere, and well have they succeeded in "making confusion worse confounded." Father Fichter encourages the hope that George is at last coming into his own. Since his teaching is a magnificent vindication of the natural law, I have no doubt that men will soon arise in the Church who will proclaim that we have only to conform to that law and involuntary poverty and unemployment with all their attendant evils will disappear for all time.

From the outset George has had strong Catholic defenders. We learn from *The Life of Henry George*, by his son, that soon after the publication of *Progress and Poverty*, but before it had caught the attention of the world, a Passionist, Father Dawson, wrote him stating that, though he did not know the author's religion, George had written a Catholic work. Father Dawson, who died in Dublin a few years ago, was a life-long defender of the theory of land value taxation. More remarkable still is the Letter to the Clergy and Laity of the Diocese of Meath, written by Dr. Nulty in 1881, after the publication of George's famous book certainly, but before the Bishop had heard of it or of the author. "The land of every country," writes the Bishop, "is the common property of the people of that country, because its real owner, the Creator, has transferred it as a voluntary gift to them. . . . Now, as every man in that country is a creature and a child of God, and as all his creatures are equal in his sight, any settlement of the land of a country that would exclude the humblest man from his share in the common inheritance not only would be an injustice and a wrong to that man, but would be an impious resistance to the benevolent intentions of his Creator." It is surely significant that Dr. Nulty's Letter is an epitome of *Progress and Poverty*. The fact that the community-value of land increases as population increases, Dr. Nulty regards as a beautiful illustration of the goodness of Divine Providence. Revenue is necessary for civilized society. As population increases more revenue is required, but the ever-increasing value of land will provide an unfailing and ample fund to meet the public needs. Then there was the great and good Father McGlynn, punished by his superiors, but finally vindicated and restored to his priestly status. The way of the Prophet has ever been hard. Joan of Arc and Savonarola were judicially murdered; Las Casas, when he proclaimed that the right of the colored man to be free was equally valid with that of the white, found theologians who opposed him; and Cardinal Newman, the author of that masterpiece, *The Development of Christian Doctrine,* repeatedly found his orthodoxy suspect after he had submitted to Rome. There is already a bronze monument to McGlynn, but he has in fact wrought out for himself a monument more lasting than bronze.

Not the least benefit arising from the application of George's theory would be the simplification of government. Here in New Zealand, for example, we have in operation a statute providing for the separate valuation of land and improvements, and we have also a national tax on the value of land minus improvements, as well as a statute enabling the citizens of any county or municipality to place all the local taxation (we call it rating) on the unimproved value of land. The majority of local bodies have in fact adopted the system already. The periodical valuation of land necessarily involves a certain expense, but that expense would remain constant if all other taxes were abolished and George's theory of the single tax actually realized! "Land lies out of doors," as George once wrote, and so no tax could be collected with such ease and cheapness as the land-tax. Thus no one would think of tax evasion because it would be impossible. More important, however, than the simplicity and cheapness of government would be the immense social improvement that would follow the complete and constant utilization of land, the disappearance of slums, and the unshackling of commerce. Under the new order of social justice men would do for themselves efficiently what so-called humanitarian legislation does very inefficiently. Accordingly I am tempted to wonder what danger of State aggression Father Fichter can see in the teachings of Henry George. One form of State aggression, the searching of your trunks by a Customs official under the shadow of the Statue of Liberty when you have returned to New York from a voyage abroad, will disappear for all time, for George's theory means not merely freedom to produce wealth, but freedom to exchange it where you will.

In reality George, in proclaiming the equal right of every man to the land of his country, has stated nothing new. As he has so well shown in the chapter in *Progress and Poverty* headed "Private Property in Land Historically Considered," the first perceptions of justice have everywhere inspired men to recognize the common right to land. While the Israelites were yet in the desert Moses wrote the Law, and the Law included provision for the redistribution of land at the Year of Jubilee. There could be no redistribution in a walled city, but even there the man who had sold his land had one year within which he could repudiate his bargain. Elsewhere no man could sell more than his right of occu-

pancy between the date of sale and the next ensuing Year of Jubilee. No wonder Cardinal Manning declared that Moses had made him a Radical! I remember St. Thomas Aquinas, in the volume of the *Summa* in which he treats of law, tells us that the Laws of Moses were framed to ensure something like equality as between man and man, and again he states that, though the ceremonial precepts of the Old Law are obsolete, the judicial precepts are still valid. Assuredly this can only mean that the land law of the Old Law is still valid. This is not to say that the periodical redistribution of land is practicable or desirable in modern times, for nowadays there are permanent and costly improvements which were not in contemplation in ancient times, and, as George has shown with matchless lucidity, the equal right to land can be asserted and secured easily, permanently, and equitably by collecting the rent thereof in the form of taxation and utilizing it for the common good. The form would be different from that ordained by Moses, but the spirit would be identical.

When George wrote *Our Land Policy,* his first considered statement of his views, in 1871, he was unaware that a pre-Revolutionary school of thinkers in France, the Physiocrats, had held the same views. Their founder was Quesnay, a physician at the Court of Louis XVI., and they included Turgot, the last Finance Minister under the monarchy. They proposed the abolition of all taxation, save the *impot unique* or single-tax on the unimproved value of land, and no less a man than Mirabeau described their proposal as equivalent in utility to the invention of printing or the substitution of money for barter. Turgot attempted to apply the principle, but the ignorant beneficiaries of untaxed privilege secured his dismissal from office. Then came the Revolution with its era of destruction and bloodshed until, in sheer desperation, the nation sought safety in the despotism of Napoleon.

It is the fashion in these days of alleged enlightenment to refer to the pre-Reformation centuries as comparatively barbarous. There is, however, the testimony of Thorold Rogers among others, in *Six Centuries of Work and Wages,* that the fifteenth century was in England the golden age of the working man. First there were immense areas of common land to which the people had access under rules deeply rooted in Christian tradition. Much land—it was one-third of England in the reign of Henry VIII—was owned by religious congregations. The monastic lands, however, were really trust property in that the congregations maintained all the aged and indigent, and attached to the monastery, not infrequently, was a hospital. The common right to land was further secured in that the lay lords, and sometimes religious houses, bore the entire cost of war. Thus it was that the Hundred Years' War and the Wars of the Roses were paid for without loans and without indirect taxes. Thorold Rogers assures us further that the religious houses were considerate landlords, and there can be no doubt that their studied regard for the rights of praedial serfs had a steadying influence on the lay lords. No wonder H. M. Hyndman, Socialist and Rationalist, declared that "the Church of our ancestors was not the organized fraud which prejudiced historians would have us believe."

> *"Indirect taxes offend scarcely anybody. They are very sly, and have at command a thousand successful disguises. Very few of us taste the tariff in our sugar; and I suppose that even very thoughtful topers do not perceive the license tax in their whiskey. There is little wonder that financiers have always been nervous in dealing with direct, but confident and free of hand in the laying of indirect taxes."*
>
> WOODROW WILSON, "A Study of the American Constitution."

The first step in the disinheriting of the people of England was the Reformation. Monasteries were ruthlessly destroyed and their lands handed over to the pimps and pandars who became the forbears of "our old nobility," many hospitals were closed, and the noble art of nursing was forgotten until Florence Nightingale rediscovered it. As theft and robbery were capital crimes in those far-off days, we are not surprised to learn that 72,000 persons suffered the death penalty in the reign of Henry VIII. The destruction of the monasteries left the poor unprovided for, and so many of them were driven by hunger to the gallows. Poor laws began in the forty-third year of Elizabeth's reign. In Catholic England they were unknown.

The work of expropriation, however, was not accomplished all at once. It proceeded by stages until the Parliament of Cromwell, the alleged vindicator of English liberty, in 1645 carried a series of resolutions for the abolition of feudal dues on land. These were later embodied in a statute, and by the small majority of two votes, feudal obligations were abolished and indirect taxation substituted. Later, in the reign of the Georges mainly, came innumerable Enclosure Acts by which the common lands were stolen from the people.

Thus it will be seen that, in proposing to abolish land monopoly, George really seeks to restore the state of affairs prevailing in England in pre-Reformation times —to bring us back to our Catholic heritage, in fact. Accordingly I am glad to have Father Fichter's assurance that there is a surprising number of Catholics taking courses through the Henry George School of Social Science. From the outset there have been many Catholic Georgists, and there will be more of us. While the Catholic who embraces Socialism will necessarily lose his faith, the Catholic who embraces Georgism may become more Catholic still. The work of spreading the light of economic truth, however, must not be left to the laity. I refuse to believe that there will not arise bishops and clergy who will proclaim the truth as it was proclaimed by men like Bishop Nulty and Father McGlynn.

The International Morality of Exchange

Herewith is presented the second installment in the "Old Timers Series," which was inaugurated in the January FREEMAN *with Louis F. Post's fascinating story of Tom L. Johnson. The current contribution is from* Pax Economica, *by* HENRI LAMBERT, *Belgian manufacturer and economist. It was published in November, 1915, but little more than 25 years ago as the calendar measures time, but ages ago in the light of the world-shaking developments which have transpired in the meantime. Here again is displayed the sound economic reasoning and the prophetic insight which characterized much of M. Lambert's writings. Readers will recall an earlier article by the same author which was published in* THE FREEMAN *for November, 1942.*

In this case, as in that, THE FREEMAN *is indebted to Mr. Stephen Bell for the material used.*

* HARMONY MUST be the result of Justice, and Justice is inseparable from Truth. Progress of moral conduct is dependent on progress of intellectual truth.

The condition of international peace is international morality. This is dependent, finally, on *knowledge* of international moral truth, and, secondly, on the practice of that truth. Peoples will find in this practice a twofold interest: interior prosperity and exterior tranquillity. The *love* of justice and the *desire* for morality will *follow,* but they *cannot precede,* knowledge and practice. Cause and effect will act and react interchangeably, but justice and morality must pass from the "conscious" into the "unconscious." Progress of the sentiment of goodwill can only be *consequent* on progressive knowledge and increasing practice of truth. It is equally so in international as in social and individual affairs.

Knowledge of the natural economic truths is fundamental to justice, order, morality and security, social and international. It provides the most certain and positive rules of the art of politics. These truths and rules cannot be ignored or even misunderstood with impunity.

War is the inevitable outcome of a state of persistent international "amorality" and insecurity. Peace, in such a state, is but an unstable equilibrium between adverse forces. It is at the mercy of those who consider themselves capable of emerging from the general insecurity by creating self-security through the vanquishing and subjection of others. Such an "amoral peace" is comparable to the "good relations" of cannibals; it also evokes a regime of "international jungleism," for even lions and tigers do not live without a certain *mutual* respect and, at times, in "peace."

For the last half century European amorality and insecurity, resulting in desire of conquest in some and fear of conquest in others, has manifested itself by militarism put at the service of international economic error and injustice. When truth and justice, making morality, do not rule between states, then force must and will be supreme. When international law is not international truth and justice, there remains but force to overcome and vanquish this false right.

Absolute security and certain peace are conceivable only in so far as no peoples have any interest to desire, and consequently none of them has any reason to fear, conquest. Now, liberty of economic relations (carrying in its train as it does liberty of general intercourse) between two peoples is *equivalent* to mutual annexation by these two peoples; and liberty of relations between all peoples would be equivalent to reciprocal annexation by all peoples. No people would any longer have an important or even serious interest in vanquishing other peoples and conquering their territories. Given liberty of international economic relations, it is certain that international justice, morality, security and peace would become a positive, practical and normal state of things.

True civilization will be the result of knowledge and will be founded on practice of natural economic truths.

The present war, its abominations, its crimes, its duration—and its sequel, probably greater than the war itself—is not the direct outcome of the spirit of injustice and brigandage in men, but the result of the general ignorance and disregard by people and their leaders of these economic truths. They were bound to be of a decisively capital importance in an epoch which will ever remain characterized by an extraordinary development of industries and a consequent need of corresponding expansion of international commerce.

* * *

The ignorance and stupidity of men have always proved more inexorable and caused them more suffering than their wickedness. It must be so. Men are ordered to become good *and wise*—aye, to become good *because wise!* Goodness, unless inspired and guided by wisdom, is incapable of evolving *progressive* morality. Good cannot be separated from Progress.

* * *

After nineteen centuries of political efforts and Christian preaching, the state of relationship and the mutual attitudes of nations, "civilized and Christian," do not, alike in time of peace as in time of war, differ essentially from those of savage tribes. Everywhere nations are compelled to prepare to fight at any moment for the defense of their chattels, of their soil, of their liberty, even for the preservation of their physical existence. More menacing still seems the future.

* * *

Being, as it is, the natural phenomenon in which lies the origin of "justice," exchange is par excellence the

natural moral phenomenon; hence its extreme importance in respect to internal and international relations; hence its constructive power; hence also, the destructive consequences, without limit, of the attempts to prevent its accomplishment; *hence the fatefulness of Exchange.*

This is explained to those who as political philosophers contemplate the great contemporaneous events, how across the path of humanity there strides a Monster combining the pitilessness of the Sphinx with the frightfulness of the Minotaur. "Thou shalt go no farther," he says. "It is not by an enigma but because of an imperative and categoric dilemma that I bid thee halt. Thou must emerge from thy state of protectionist and militarist ignorance and amorality; thou must recognize the moral truth of peace by free exchange; thou must practice international economic justice. Otherwise thou art condemned to a succession of revolutions and wars which will ultimately lead to barbarism. For thy persistent refusal to adopt the way of justice will be the proof and measure of thy actual incapacity to further true progress; and therefore there can remain only, for long periods to come, the law of brute triumph and survival of those best fitted for combat and slaughter."

So speaks and will act the Monster.

Yet the rational interpretation of natural moral phenomena, revealing as it does to men the International Morality of Exchange, teaches them the natural necessity of international cooperation, ever more free, consequently ever more just and increasing, as the only, and as the certain, means of rescuing nations from the natural fatefulness of conflicts more and more fearful.

ENVOI

Is there in the ranks of the world's rulers and leaders a statesman possessed of deserved authority who has the wisdom to see, the courage to proclaim, and the strength to make humanity understand and accept the essential truth of the hour? Of all perils the greatest would be that such a man did not exist!

The Laborer Is Worthy of His Hire

Because the admonition implied in the biblical quotation which gives title to this article is given scant observance by both employers and employes—and it's a rule that works both ways—The Editors of THE FREEMAN *believe that their readers will be interested in learning of recent developments in a matter having to do with incentive pay which was first brought to their attention in these columns several months ago.*

★ The award last December of $3,000,000 "incentive" pay to the employes of the Lincoln Electric Company serves as a heartening reminder that even in these hectic days of priorities, price ceilings, rationing and wage fixing by bureaucratic edict, certain American firms have not lost sight of the ancient truth that wages come out of production, and its corollary that man is entitled to the fruits of his labor. Nor is it mere lip service that is being paid to these eternal verities; so far as prevailing circumstances permit, they are being put into practice. Witness the action of the Lincoln Electric Company as related by the Associated Press:

> CLEVELAND, Dec. 19 (AP).—The Lincoln Electric Company, whose wage policies were investigated by the House Naval Affairs Committee in May, paid "incentive compensation" of nearly $3,000,000 today to 1,300 employees.
>
> The compensation, which included this year's overtime, averaged about $2,300 for each employee, although it ranged from $10 to $25,000, with 90 per cent going to shop workers, James F. Lincoln, president, said.
>
> Mr. Lincoln said the "incentive pay" was calculated on the basis of pre-war years. Because of this, National War Labor Board officials here said, the company did not need W. L. B. approval, although the amount paid was greater than in 1941.
>
> Edmund Toland, counsel of the House committee, declared this year that the company paid $5,143,234 in bonuses in 1939-'41, inclusive, and that salaries in the same three years were $2,681,562.
>
> The company is a leading manufacturer of arc-welding equipment. Everybody in the organization participated in today's payments except Mr. Lincoln and his brother, John C. Lincoln, chairman of the board.
>
> "It is obvious that our only chance of success in this war is the American workman's ability with American methods to produce war equipment more rapidly than can our enemies," Mr. Lincoln said in a statement. "To accomplish this goal a proper incentive-wage system to boost the output of all types of labor has, in our case, met with unusual success."

FREEMAN readers will recall that the inquiry by the House Naval Affairs Committee mentioned in the foregoing dispatch was the event which occasioned the publishing of an article in the July FREEMAN entitled "A Firm That Makes Labor Profitable." The article was reprinted by permission from Business Week, and dealt at length with the practices which the Lincoln Electric Company had been following for years in handling employe compensation.

Because of continuing public interest, the editorial foreword to that article and paragraph excerpts are reprinted below:

> If the following article carries the suggestion that The Lincoln Electric Company is managed

in accordance with principles laid down by Henry George, and with a clear understanding of the operation of Natural Law, the reason will not be far to seek.

The Chairman of the Board of The Lincoln Electric Company is John C. Lincoln, noted electrical engineer and inventor, of Ohio and Arizona. Mr. Lincoln has long been interested in education as a social instrument for the maintenance and extension of democracy and has been an active Georgist for many years. He was the nominee for Vice President of the United States in the 1924 campaign of the Single Tax Party.

He has written extensively on social and economic matters and is the author of the pamphlet *"The Importance of Natural Relations"* which was first published in the April issue of THE FREEMAN under the title of *"When The War Is Over."*

Mr. Lincoln is a member of the Board of Trustees of the Henry George School of Social Science, as well as a director of The Freeman Corporation. He is a brother of J. F. Lincoln, president of The Lincoln Electric Company.—*The Editors.*

A few days ago the House Naval Affairs Committee got after J. F. Lincoln of the Lincoln Electric Company on the score of his company's 1941 earnings and employee compensation. The implication was that the Lincoln practices were just another effort to evade income taxes. But anyone who knows even a little about Jim Lincoln's economic philosophy knows better than that.

In the first place, the Lincoln incentive payments go away back of the defense effort. They're not a dodge, improvised to take advantage of a situation.

They are rooted in his twin beliefs that good ideas are good ideas, whoever thinks of them, and that good ideas for industrial efficiency are the only fuel that can make the capitalistic engine hum.

For many years, therefore, Lincoln has had in his plant an "Advisory Council," made up of representatives elected in the several departments by vote of the workmen. He and his plant superintendent are ex-officio members. This council meets every week or two to consider plans for improving the business.

Right there is the key to Lincoln's conception of what it takes to make the American system work. He says that the way to raise the standard of living for the entire population is to give those who work at production an inducement to put their brains into its technique and their backs into its operation. This, he contends, makes it possible to reduce the price of your product so that people can use more of it and, in some cases, more of whatever else may be made through its use. And, at the same time, your employees get more money with which to buy your products as well as the products of other people.

Economics of Democracy

This is a continuation of the serial by F. MASON PADELFORD, M.D., *which was begun in the December issue. Reading between the lines makes it increasingly clear that Dr. Padelford is one physician who realizes not only that much of our illness springs from unhealthy social conditions, but that such conditions are themselves in large measure the result of our faulty economic system.*

Indirect taxation has this one merit: It produces revenue—but by methods which, in ethics, have no defense. Under it, the few are taxed by the government, and the many are more heavily taxed by these few. The many, entertaining the belief that only those who own property are taxed, manifest little interest in the management of the public's business, and too often, not only consent to, but actually urge all sorts of civic extravagance.

The taxes paid, directly and indirectly, by the average family of five persons in the United States amount to not less than $600 per year. This means that the inclusion of taxes in the prices which are paid for the many things which are purchased in the course of the year cripples the family's buying power by at least this amount.

To indirect taxation, and the evils incident to it, the failure of the capitalistic system to satisfactorily function must be attributed. That there are other causes, we must admit. Indirect taxation, however, is the major cause, and until this is done away with there can be neither industrial peace nor continued prosperity. While fault may be found with the capitalistic system, the fact remains that under it peoples have prospered as under no other. Because of its taxation handicap it is breaking down. It will function smoothly if, and only if, this handicap is removed.

No one will question the right of Labor to its wages. Few will deny the right of Capital to a legitimate return. But what is Rent? And to whom, from a moral standpoint, does it belong? In the whole realm of Political Economy there is no question of more vital importance.

It should be noted that the term "Rent," except when otherwise indicated, refers to ground, or economic, Rent.

That which loosely is called "house rent" is, in reality, interest.

Rent is defined as "That which is yielded by land in excess of the yield of the poorest land in cultivation under equal conditions." To make clearer the meaning of this definition, let us translate it into terms of dollars and cents.

Picture a small but growing town in and about which there are available for cultivation sections of agricultural land of different grades of fertility, and in which there is an annual demand for one thousand bushels of wheat. Let us assume that, at a labor cost—interest need not here be considered—of $1,000 per section, there can be produced, in one year, upon the first, one thousand bushels of wheat; upon the second, nine hundred bushels; and upon the third, only eight hundred.

The yearly demand being for but one thousand bushels, obviously but one section of land will be cultivated, and this the best of those which are available—that which may be called the "thousand bushel land." Wheat will sell for $1.00 per bushel, and the entire crop for $1,000.

When, owing to an increased population and a corresponding increase in the demand for wheat, the price of this commodity advances to $1.12 per bushel, the land of the second grade will be used. Nine hundred bushels of wheat, at this price, will bring $1,000. But now the crop obtained from the highest grade soil brings $1,120 —of which $120 is Rent.

The poorest land will be resorted to when, for its crop, $1,000 can be obtained—when wheat sells for $1.25 per bushel. When this point has been reached the crop grown on the best land will bring $1,250, and that on the land of the second grade, $1,125. All in excess of $1,000, in each case, is Rent—$250 and $125.

If population grows less the demand for wheat will grow less, and the price of wheat will fall. Rent, therefore will decrease. The owner of Rent-producing land, regardless of his efforts and skill, will witness the shrinkage and perhaps ultimate disappearance of the Rent-part of his income.

The fact is suggestive that public expenditures rise and fall as population rises and falls, *and as Rent rises and falls.* To the reasoning observer this phenomena should be as instructive as was the falling apple to Isaac Newton.

Rent is a civilized-population consequent. Where justice rules it will be regarded as the property of the society which creates it. Morally it is the property of society.

Ground Rent is the result of high commodity prices, not the cause. Rent is high because prices are high; prices are not high because Rent is high. Distinction must be made, however, between true and speculative Rent. Power to exact speculative rent carries with it power to arbitrarily raise commodity prices.

This community of ours, to obtain revenue, may either tax land, on the basis of value—which is but a means of appropriating Rent—or it may tax wheat. If, by exercise of the taxing power, the entire $375 of Rent is turned into the public treasury, the price of wheat will not be affected. The cultivator of each section of land, the tax having been paid, will receive for his year of work, $1,000. Each worker will receive all that he earns, and none will be unjustly treated.

It may be that a tenant is paying to the owner of land its full Rent. Assume that the government levies on the land a tax equal to this Rent. The owner, to recover the tax, must collect from the tenant, not only the Rent, but also the tax. The tenant, being free to resort to not-taxed land at the margin, is under no obligation to pay the increase. The availability of free land is the tenant's protection.

If those who cultivate Rent-producing land attempt, by raising the price of wheat, to recover from consumers the Rent tax which they have been required to pay they will fail, and this for the obvious reason that the "marginal" producer, using land which produces no Rent, and which therefore is not taxed, will be able to sell wheat for $1.25 per bushel.

The price of commodities is established by the cost of production at the margin.

If wheat is taxed the tax will be added to its selling price, and consumers will pay. And if it so happens that before reaching the final purchaser the wheat passes through several hands, the ultimate selling price will include, not only this one tax, but several of such taxes, plus a profit on each one.

Too great emphasis can not be given to the fact that while *taxes levied upon products of labor increase the prices for which these are ultimately sold, taxes on ground Rent decrease the selling price of land, and increase the selling price of no commodity.*

A tax on Rent is not, and cannot become, a consumer's tax, *if land at the natural margin is free. A tax on true Rent cannot be shifted.*

In seeking to make clear the so-called "Ricardian Law of Rent," we have used, as an illustration, agricultural land. To explain in detail the application of this law to land used for other purposes, and in cities and towns, would require far more space than is here available. Suffice it to say that the law does apply to all land, wherever located and however used.

It can hardly be necessary to state that the land which brings the greatest Rent return is that in and about our cities and large towns. Farm land has relatively little value.

Civilization, as we know it, is based upon the right of the individual to own property. Men intuitively recognize that the products of their own labor belong to them; that to the producer belong the things produced. The right of the individual to own land rests upon no such foundation. Men will not build upon, or otherwise improve, land, unless they are given some guarantee that they will be able to hold it for a period at least as long as the probable life of the improvements. Therefore to make secure property in products, and to encourage productive enterprises, we have established by law *private property in land.* But private property in land *should not* involve private property in Rent. If Rent is regarded as private property it will be capitalized, and land will be bought and sold as a commodity.

(To be continued next month)

The BOOK TRAIL

EXCELLENT—AS FAR AS IT GOES

"The People's Land," by John Harrington. Published by the author at 22 Washington Boulevard, Oshkosh, Wisconsin. 1942. 13 pp. $0.10.

Next week I am off to a scholarly gathering of linguists who are permitting me to say a word to them. I cannot bring George into the description of the Dictionary of American English Grammar which forms the subject of my word; but I can provide myself with ammunition in the form of tracts to pass out to those who will receive them. And my ammunition for linguists is to be John Harrington's new pamphlet, "The People's Land." The author says that while there may be pamphlets enough on Single Tax in circulation he feels that he has adopted a different approach to the subject, and a different emphasis. Which, indeed, he has.

Mr. Harrington is a lawyer and early Georgist of Oshkosh in my native state of Wisconsin. He writes a smooth letter and composes a persuasive pamphlet. The introduction is as good a piece of natural and enlisting writing as I have read in some time; the rest carries on easily from point to point; and the whole piece is quiet, good-tempered, and conversational. It manages to convey an idea of authority and experience, and altogether it is fine to pass on to linguists.

But were I to attend (perish the thought!) a conference of collectivists, or even of economists, I might not provide myself with this particular piece of literature, which covers very adequately the positive side of the Georgist principles, but neglects what I can only call the negative side. Give a socialist Mr. Harrington's pamphlet, and he will inevitably answer, "Oh, WE are going to do all that this man wants—and MORE!" It is that "and more" which "The People's Land" fails to cover.

The taking of ground rent for the state, as George advocated, is no more important than the not taking of anything else. The abolition of taxes and the retention of private ownership of land are essential points in the establishment of economic democracy. Mr. Harrington mentions the last, but devotes little or no space to the other points. I wish that he had covered the blank fourteenth page of his excellent pamphlet with material of this nature.

Taxed with this objection, Mr. Harrington wrote that his pamphlet is aimed primarily at business men, and said that he does not wish to instruct them in Socialism, however obliquely. To his business men I shall add linguists.

JANET RANKIN AITKEN

WHY THE ARGENTINES DISLIKE US

"Argentina," The Life Story of A Nation, by John W. White. The Viking Press, New York, N. Y. 1942. 366 pp. $3.75.

This timely book has meat for the serious student of Latin American affairs and international relations generally.

Mr. White has been for twenty-five years a newspaper correspondent in South America and for the last ten years for the New York Times. In explaining why the Argentines dislike us Mr. White says:

"Today one of the most serious political stumbling blocks on the path to better understanding is the Hawley-Smoot Tariff, which Argentines believe was aimed directly at them. Temporary war-time suspension of the tariff on most products would cause an immediate increase in Argentine's exports to the United States without injuring American farmers and producers. Senate ratification of the Sanitary Convention, signed in 1935, would permit the entry of Argentine meat from regions certified free of hoof-and-mouth disease. Argentines know inspection services have been arranged which would permit this, and they know that we know it."

The book gives a full story of the conflict between President Ramon Castillo of Argentina and the great majority of the citizens of the country, who are liberal-minded and strongly opposed to the Axis. It describes the methods employed by Castillo who, while paying lip service to democratic forms and parliamentary procedure, makes use of the army and the police to carry out the edicts of his centralized government—edicts practically always in the interest of the country's two thousand large land holding families, who control on the average 65,000 acres each.

—LANCASTER M. GREENE

Now the law of nature which forms the postulate of a true science of political economy is not, as has been erroneously assumed, that men are invariably and universally selfish. As a matter of fact, this is not true. Nor can we abstract from man all but selfish qualities in order to make the "economic man," without getting what is really a monster, not a man.

The law of nature, which is really the postulate of a true science of political economy, is that men always seek to gratify their desires with the least exertion, whether those desires are selfish or unselfish, good or bad.

—HENRY GEORGE

NEWS *of the* Crusade *for* Economic Enlightenment

An Excellent Example

NEW YORK—Officials of the Henry George School are highly pleased at the initiative shown by George H. Comings of Bainbridge, New York, in the crusade for economic enlightenment. Mr. Comings, graduate of the school's Correspondence Course, with the assistance of his wife and son, who have also completed the course, has organized a study group among the neighboring farm people, and weekly sessions in Progress and Poverty are already under way.

Miss Margaret E. Bateman, Director of the Henry George School, feels that Mr. Comings has set an example which could be followed with excellent results throughout the rural sections of the entire United States. Correspondence Course graduates living in such communities who feel the urge to teach are invited to make their aspirations known to the Henry George School in New York with confidence that their efforts will receive the fullest cooperation.

For Housewives Only

NEW YORK—The January issue of *Everywoman* carries an article by Miss Dorothy Sara, known to FREEMAN readers as Secretary of the Speakers Bureau of the Henry George School, but in professional life a nationally recognized graphologist. A lecturer and writer on the science of determining inate ability and character traits by the study of handwriting, Miss Sara analyses the chirography of the six editors of *Everywoman*, all of whom are wives and homemakers as well as professional writers, and offers some deductions which the editorial ladies concede are very close to the mark. The article is replete with pithy observations on women and the matrimonial state, the creative urge, executive ability, and what handwriting tells to one who knows how to read the story.

Distinguished Speakers

LOS ANGELES—The annual banquet of the Los Angeles Extension of the Henry George School of Social Science was held in the Mona Lisa Banquet Room on the evening of January 14. Principle speakers were Joseph S. Thompson, writer, economist, industrialist and author of the recently published condensation of Henry George's Progress and Poverty entitled "More Progress and Less Poverty," which is rapidly winning wide acclaim; and Kathleen Norris, nationally known novelist and sister of Mr. Thompson.

The address of welcome was delivered by Anthony Pratt. William Beach Truehart, Extension Director for the California territory, was in charge of arrangements.

Letter Wins Place in Yearbook

NEW YORK—To Mrs. Jessie Matteson, teacher in the New Jersey Extension of the Henry George School and former Registrar at the New York School, falls the distinction of being the first writer of the Georgist persuasion to have a composition selected for inclusion in *We, the People, The Yearbook of Public Opinion.*

We, the People, published annually, is composed of quotations from the letters that public-spirited citizens have written to their local newspapers. These letters cover subjects on practically every aspect of contemporary civilization.

Mrs. Matteson's letter, published in the New York *Herald-Tribune* December 11, 1942, under the heading of "Worker Takes All," handles the much-discussed Beveridge report in crisp fashion. Some of the more significant paragraphs from her sparkling epistle follow:

"It should not be necessary to wade through the three-volume-novel-length pages of the Beveridge report to conclude that it is neither 'revolutionary,' as said, nor a wise measure. It is merely an extension of the hackneyed principle of supporting an ever-increasing class of poor at the expense of an ever-decreasing group of not so poor—a step made by Pericles in the fifth century B.C. Its wisdom can be measured by observing the state to which the world has come after following that principle for centuries. The Beveridge report, like previous remedial schemes, proposes to treat the effects of such social ills with a total disregard of their first causes. . . .

"Man is an exceedingly capable and adaptable animal. He is relatively scarce in proportion to the surface of the earth, yet there is enough of him to permit specialization and division of labor so that, through even a relatively free market place, he may satisfy a diverse number of desires—material and otherwise. And since a new desire replaces each satisfaction, a static society, or one suffering from 'over-production,' is unthinkable.

"Seeing around us millions of men completely dependent on charity, and the majority of the others leading an insecure, hand-to-mouth, existence, it becomes evident that some force, or forces, are depriving some of even the opportunity to work, and others of a part of the product of their labor. And so, in the name of reason, let's isolate those forces before letting ourselves in for some costly and futile socialistic schemes."

Faculty Member Married

NEW YORK—The marriage is announced, as of November 5, of Miss Helena Platkin, member of the faculty of the Henry George School of Social Science, to Mr. Maurice A. Kavalier of Hartford, Conn.

Legislative Committee Active

NEW YORK—The Henry George Legislative Committee, under the chairmanship of Walter Fairchild, is now at work on the New York State campaign and has prepared in bill form an amendment to repeal the 2% real estate tax limitation in the New York State Constitution, and an administrative single tax bill.

It is the purpose of the Committee to have these bills introduced in both branches of the State Legislature early in the session. They will then be printed and distributed, and public hearings must be arranged. The Committee reports that the Voorhis Amendment must be reintroduced at Washington when the new Congress convenes, and hearings arranged.

The Committee solicits financial help in carrying on its work. Remittances should be addressed to the Henry George Legislative Committee, 15 Park Row, New York.

Thirty Centuries Old

MONTREAL, QUE.—At a recent public meeting at which he was chairman, Mr. John Anderson, President of the Montreal Extension of the Henry George School, was asked by a member of the audience: "Is the Georgist movement backed by rabbis, priests, etc., or who is behind it?"

Mr. Anderson's reply, considered a classic by many of those who heard it, was as follows:

"I ask the questioner if he believes in spirits. I do. Nobody has ever seen a spirit, but it exists and is the mightiest force in the world. The Georgist movement originated some thirty centuries ago in the hearts of the Patriarchs of old, prompted by the spirit of justice. They saw clearly that the earth, from which all wealth comes by the application of labor, is the common heritage of mankind of every generation. The spirit of justice operated in the minds of men long before Henry George was born. It made its appeal to the French Physiocrats, to John Stuart Mill, to Herbert Spencer, Mazzinni, Jefferson, Lincoln and many others. The spirit of justice is impartial, universal, and does not recognize rabbi, priest or parson; race, color, or creed. That is the force or power or spirit behind the Georgian Philosophy."

New Classes in Ohio

CLEVELAND—The winter term of the Cleveland Extension of the Henry George School of Social Science was started early in January under the direction of A. J. Wilson, with classes in Progress and Poverty and Protection or Free Trade.

Noon-Hour Classes in Jersey

NEWARK—The establishing of lunch-hour classes in the study of fundamental economics was the chief topic of discussion at the January 29th meeting of the faculty of the New Jersey Extension of the Henry George School. L. M. Haas, faculty member, presented plans for organizing such courses based on his own successful experience with his fellow-workers at a large plant of the Western Electric Company. It is expected that the program will be under way at an early date.

Direct mail and other publicity methods are being employed to apprize the citizenry of New Jersey of the approach of the spring term opening of free classes in economics at Extension Headquarters, 1 Clinton Street, Newark, and elsewhere throughout the state. Restrictions on driving will render unavailable some of the libraries and Y.M.C.A.'s formerly used as meeting places, but the number of classes conducted in private homes is expected to be considerably augmented.

Hen House Classes

NEWARK, N. J.—In the Poultry Building of the Agricultural School of Rutgers University in New Brunswick, N. J., two afternoons a week, a class of twenty-one students meets under the instructorship of William L. Hall to study the philosophy of Henry George. The text used is Economics Simplified. Mr. Hall reports a tremendous enthusiasm on the part of the class which was gotten together by what he calls his incessant "needling" on matters economic.

Clergy Interested

PHILADELPHIA—Reflecting careful selectivity of the names that were circularized with material concerning classes in the Philadelphia Extension of the Henry George School, an unsually high percentage of professional men and women have enrolled for the winter term. Lawyers, doctors and dentists are well represented, and in the several classes now being held there are no less than fourteen ministers and rabbis.

Good Work!

NEWARK, N. J.—L. I. Weitzman, who has been so active in selling copies of *Economics Simplified* on his business trips throughout the country, reports a variation on this theme. He has been attending a class in literature and drama in a local evening high school, and offered to review, as his share of the class activity, a new economics book written by Dr. E. E. Bowen and George L. Rusby! At one session of the literature class, Mr. Weitzman gave his review. At the next session, he and the class teacher conducted a symposium on the subject. The class asked questions the third week, and five of them ordered the book. Three weeks, however, did not seem to be enough time to take to discuss the subject adequately, and it is now planned to go further into the matter at an early session.

1936 Conference Proceedings

NEW YORK—One of the very few volumes now extant of the proceedings of the Fifth International Conference for Land Value Taxation and Free Trade, which was held in London September 1 to 5 inclusive, 1936, has been presented to the library of the Henry George School of Social Science by A. W. Madsen of London. Mr. Madsen, as most American Georgists know, is secretary of the International Union for Land Value Taxation and Free Trade, the organization under whose auspices the Conference was convened.

Among the American representatives addressing the conference and participating in the discussions were Charles O'Connor Hennessy, President of the Conference, Mrs. Anna George de Mille, Lancaster M. Greene and Harold S. Buttenheim, all of New York. Papers prepared by William McNair, then Mayor of Pittsburgh, Harry Gunnison Brown, Professor of Economics at the University of Missouri, and Judge Jackson H. Ralston of California were read to the conference by others.

As an aftermath of plans set on foot at the conference, schools for the dissemination of the Georgist philosophy were soon established in various centers throughout the British Isles, in Denmark and in such outposts of the British Commonwealth as South Africa, New Zealand and Australia.

Speakers Bureau

NEW YORK—Miss Dorothy Sara, Secretary of the Speakers Bureau, reports the following schedule as having been completed last month:

January 3—A. P. Christianson at Lafayette Avenue Presbyterian Church, Brooklyn.

January 3—Philip Kodner at The Fellowship of St. Nicholas Church, New York City.

January 5—C. O. Steele at National Council of Jewish Women, Port Chester, N. Y.

January 10—William Heymann at Memorial Presbyterian Church, Brooklyn.

January 17—A. P. Christianson at Community Church Forum, New York City.

January 18—C. O. Steele at Ivriah, West Bronx Moshulu Division, Bronx.

January 20—C. O. Steele at Board of Trade, Port Chester, N. Y.

Talks scheduled for future dates are as follows:

February 7—C. O. Steele at Hanson Place Central Methodist Church, Brooklyn.

February 18—Mrs. May Winkler at Arista Lodge of United Order of True Sisters, Flushing, L. I.

All at Sea

PITTSBURGH—Ernest Heckler, who used to conduct classes in Progress and Poverty in this city, is now Lieutenant Commander, U.S.N.R., no less. An engineer in civil life, Lieutenant Commander Heckler is serving with the "Seabees"—the name adopted by the Construction Battallion (C.B.)—somewhere in the broad expanse known as the South Pacific.

Students vs. Teachers

NEW YORK—Five students of the Henry George School gave an equal number of faculty members of that institution of higher learning something to worry about on the Americana Quiz Program, over WMCA from 3:30 to 4:00 on the afternoon of Sunday, December 27. The student team consisted of Loretta Moore, Paula Zweier, H. D. Butler, Wilbur Holstrom and Weld Carter, Jr., the last named from the New Jersey Branch. Teachers taking part in the program were William S. O'Connor, Dr. Janet Rankin Aiken, Ezra Cohen, William G. Leon and C. O. Steele.

If the sad truth must be told, the faculty team missed being licked by a very narrow margin. The final score was a tie. The station manager informed the participants that the occasion was the first in his recollection when each of the competing teams on the Americana Quiz finished with a perfect score.

Miss Lackey in Montreal

MONTREAL, QUE.—"Goodwill Around the World" was the subject of a lecture delivered by Miss Jean Lackey of the Henry George School of Social Science in New York to an enthusiastic audience of more than 200 at Stevenson Hall on the evening of January 13. Officials and faculty members of the Montreal Extension were highly pleased at the cordial reception tendered Miss Lackey, the interest in economic freedom manifested by the audience and the substantial amount of literature on the subject which they carried away with them.

Marsh Washington Speaker

WASHINGTON, D. C.—The Woman's Single Tax Club had Benjamin C. Marsh as guest speaker at their monthly meeting, January 4. Taking as his title, "Intelligence When," Mr. Marsh presented some interesting and individualistic views on such topics of the day as individual initiative, the profit system, collectivism, regimentation, and various isms which are discussed as possible remedies for our economic ills.

Mrs. Gertrude E. Mackenzie, club president, announced that the topic of discussion at the February 1st meeting would be an article by Judge Jackson H. Ralston in which he sets forth the reasons for the defeat of the California Amendment having to do with land value taxation.

C. C. Graduate a Wave

NEW YORK—A recent visitor to the Henry George School was Ensign Gertrude Mountain of the U. S. Navy Waves. Ensign Mountain, a graduate of the Correspondence Course, belies her name, as she fits very comfortably—and quite becomingly, it may be added—in the smallest Wave uniform supplied by the Navy. The young officer's home state is Wisconsin.

Letters to the Editor

Passing of Gus Wilson

To THE FREEMAN falls the sad duty of reporting the death of a beloved colleague. Gustaf Robert Wilson, a member of the Faculty of the Henry George School, died on Christmas morning, following a heart attack.

Gus Wilson was born on May 4, 1906 in Ridgefield Park, N. J. He became interested in social problems at an early age, and took advantage of the serious illness which marred his youth to gain a literary background that was wide and deep.

He entered the Henry George School in the fall of 1937 as a student in the extension class taught by William Quasha at the City Club, and after a period of training became a teacher himself during 1939.

His career was brilliant. Beneath his quiet manner there lay an enormous scholarship. He had a varied and rich teaching technique—one which was only less exacting of his students than of himself. His skill at bringing out discussion among his students was unsurpassed. He was an expert, both in class and out, at assuming a position directly counter to his convictions, and by this means engendered in his students a power of exposition which they had never before suspected.

Endowed with true Scandinavian indifference to sophistry and superficiality alike, Gus used to sit back and listen while a group of us tangled on the splitting of a hair. At just the right moment, his calm, gentle voice would come in to bring us back to the heart of whatever problem we had abandoned in our eagerness to be heard.

Of all our shortcomings, Gus was impatient of but one—sham.

Gus Wilson was not the sort of person who makes promises; instead, he contented himself with performing them. Totally unaware of his own importance, he served our cause with a devout, humble, and warmly convivial spirit which we sorely miss in these days of discouragement.

ARCHIBALD C. MATTESON, JR.

Books From Louis Nash

NEW YORK—Mr. Louis Nash of Seattle has presented the following books to the library of the Henry George School:

"The Struggle for World Order," by Vera Micheles Dean;

"Introduction to Industrial Government," by John T. Mulligan;

"Christopher Brand Looking Forward," by Cuthbert Yerex.

Another View

In the December number of THE FREEMAN was an article which made it appear that the Archbishop of Canterbury was ignorant of the equal rights of men to the use of the earth, whereas in fact he is on record as advocating a tax on land values to secure to all men their equal rights.

It is especially unfortunate to make it appear that the Archbishop is opposed to the truth for he has enjoyed a great reputation for many years before he became Archbishop of Canterbury and now, by virtue of his office, has great influence.

New York LAWSON PURDY

Likes Old Timers Series

Having reached the age for which retrospection was evidently invented, I shall be looking forward with pleasureable anticipation to succeeding articles in the Old Timers Series. To me it has been an unalloyed pleasure to recall having heard such men as George, Johnson and Post, and to have read both *The Mirror* and *The Public* for many years. If space can be spared to "awaken stirring memories," it will doubtless furnish added enjoyment for many readers.

I have been quite a reader of Ambrose Bierce's works, and am wondering if the following couplet by him is old stuff:

"They made private property sacred
By the laying on of hands."

To me these lines are indeed Biercian.

Glenside, Pa. C. N. HOOSE

Veteran's View

Having read the article by Don L. Thompson on interest, may I say that I was pleased with his article because it was not like some of the crackpot arguments of many of the opponents of interest. What is capital, anyway? Is it not the tool of labor? Would not Thompson abolish interest? Is not interest wages? Without capital how could modern civilization exist? Does not plain honesty require that interest be paid for the use of capital?

I note that Thompson has been a Single Taxer for nearly forty years. This writer has been a Single Taxer for sixty years, and while I do not agree with what Henry George says about money in his *Science of Political Economy*, still I am as strong a Single Taxer as ever.

New Bedford, Mass. R. A. SCOTT

Pity the Poor Landlords

The landlords of England are scared again. This time it is the Communists who have them on the anxious seat. You can tell by the counter-measures they take; they run for insurance. This time they even include themselves in an all-embracing government insurance scheme. And what a grand scheme it is. Of course there will be no contributions from the landlords towards its cost; that is the beauty of it from their standpoint but, according to Sir Williams' plan, the landlords will get their stipend the same as everybody else.

A landlord, as a landlord, produces no wealth, so he has nothing with which to pay insurance premiums or anything else. He must first get it from someone who works and produces. So whatever the landlords get from the insurance scheme must be earned by someone else. Therefore whatever the workers get back it will always be less than they pay in, by as much as the landlords get and the cost of administering the plan.

In the early part of this century when the Henry George men had the landlords scared the Tories made two moves to save them. First, Lloyd George introduced an unworkable tax plan which he knew would have to be repealed. That was to make people think it was hopeless. Then to draw a red herring across the trail to freedom he ran over to Germany and brought back an insurance scheme, which worked as expected. It gave the landlords a whole generation free of worry and didn't disturb the conditions to which the poor and the slum dwellers were accustomed.

The new Beveridge scheme will work for the benefit of the landlords as planned, for two reasons. The English landlords are much smarter than were the Russian landlords and there is no one in England as ruthless as Lenin. The Russian landlords fled, they had to. The English landlords will be safest at home. They will have no reason to run away. They will back Beveridge's insurance scheme. Some industrialists with their economics on straight will fight it, but they are no match for a combination of Fabian socialists and landlords.

Pittsburgh, Pa. H. W. NOREN

Mr. Gordon Approves

The December FREEMAN was utterly splendid! Margaret Harkins' article, "Meet Our New Dictator: Mr. Five Per Cent," should be printed in pamphlet form and distributed far and wide. And what a mine of information is contained in Frances Barrett's article, "The Rise and Fall of Italian Fascism." It certainly lets one in on the Italian situation.

Ethel Lyman Stannard in her "Open Letter to Senator Norris" should certainly get results with that convincing bit of literature. It is a statesman-like challenge to all who have at heart the welfare of this country.

Lima, Ohio VERLIN D. GORDON

Life Spins Us in Every Direction . . .

. . . In every activity there is incredible diversity; there is no end to the variety of groupings. In your town there are Catholics, Jews, Protestants, Christian Scientists and adherents of many other faiths. When your neighbors are ill some go to homeopaths, some to allopaths, others to naturopaths, osteopaths, chiropractors or healers. On the Tuesday after the first Monday in November the citizenry solemnly, or boldly, or sometimes shamefacedly, mark ballots for democrats, republicans, socialists, communists, laborites, progressives, independents.

. . . When your fellow-townsmen, whether villagers or cosmopolites, are out for an evening's entertainment they scatter among the cinema palaces, the unmusical comedies, the drama, the opera, and the raw burlesque shows.

Yet there is one institution in our modern American society that commands UNANIMOUS ALLEGIANCE—

THE PUBLIC LIBRARY!

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* *A Nation's Librarians Can Exercise More Influence Than Its Lawmakers.*

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* Remember that library appropriations for magazines are limited and that they are usually absorbed by the standard monthlies and weeklies that are thought to meet certain average requirements. Few libraries can afford all that they need. Until a more enlightened public spirit is applied, private generosity will have to supplement public funds.

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