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HENRY GEORGE

ABRAHAM LINCOLN

democracy

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with the small "d"

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HAZLITT SUPPLIES THE ECONOMIC KEY FOR THE MARSHALL PLAN

SHOWING HOW "DOLLARS CAN SAVE THE WORLD", AND PROVIDE THE ONLY PRACTICAL FORMULA FOR THE PLAN

Henry Hazlitt For the Marshall Plan

THIS WAS INEVITABLE FOR IT WAS HIS ONLY way to sustain his greatest proposition of Economics—that The World Could be Saved by Dollars. The Proposition, his Biggest Seller he's been working on a year, and The Marshall Plan all depend on this his scientific proof.

The Marshall Plan is to have every nation get CONTROL OF ITS OWN RESOURCES which includes the transportation of them freely to every other country. Mr. Hazlitt shows not only the extreme extent that the world's resources are controlled but the Tariff Walls that help do it.

In fact he has done the work of showing what the Marshall Plan naturally was. The Secretary has not done that as he might, as his grasp of its economic aspects was complete. But the Hazlitt coverage is even more perfect.

Hazlitt Economics work perfectly with Marshall Logistics in showing how the impossible may be accomplished in merely having nature and good sense do service in by-passing clumsy politics when Economic Soundness is employed.

WILL DOLLARS SAVE THE WORLD?

THIS QUESTION IS POSED by Henry Hazlitt who took up a whole book to give us 'Economics in One Lesson', and who is equally generous in space devoted to merely ASKING this one. So he won't object if I assume broad confidence as to meaning of the question itself. But it is almost unanswerable.

No and yes is the answer of course—No, if dollars are fooled away or shot away as customary with 'Our Enemy the State'. Yes, if we will set about turning this Enemy into a Friend. And IF we can look for our Hazlitts, Nocks, Lanes, Harts and a dozen or so others to tackle this job, we can MAKE the answer 'yes'.

This means that the question is a foolish one unless its propounder has framed it around a new set-up—and one which leads farther into ECONOMIC DEMANDS than did the author's briefly titled former volume, as wonderfully promising as it was in its array of reverse economics or FALLACIES.

And possibly making something of my Yessanno Response I will, in advance of any support of the comment on Hazlitt-Economics-for-world-saving, adjust this yes and no to a current opportunity dollars faces with win-or-lose in the salvation we must have—and—quick!

WHEN DOLLARS SAVE IN THE BIG WAY

'OUR FRIEND THE STATE' can find that cash on terms that will add the name SAVOR to it. And we may have this friend on hardballed terms of the Marshall Plan IF we have the sense to interpret and apply the plan. The plan reads: 'Get possession of your own resources and their transport'.

The plan has exceeded in popularity everything up to now. And because its logic was perfect—it would do a complete world-wide job probably without a cent from us; and on the way across would sweep away the prime war-cause, resource-monopoly and demolish the secondary cause tariff walls.

So turn on the only Economic Answer—YES! This will save some 11 other answers which will inevitably otherwise land our vital question in the joke-pile. Of course we can't shut our eyes to the FULL monopoly, subsidy, and plain ignorance and prejudice have against this democracy, justice and common sense.

But what a fight would spring up from a simple statement of this case. And how little there would be to the side that attempted to show that there was ANY side to a defense of exploitation. OR any excuse for having a world to be saved with such a question outstanding.

WHEN TRUTH INCLUDES ACTION

THE LINCOLN INCENTIVE INDUSTRIAL SYSTEM is the source of sensational news—the receipt thru Vice President, A. F. Davis, of two court decisions favoring the Lincoln Electric Co. of Cleveland, to the extent of several million dollars which I may at some risk translate to layman's terms.

Mr. J. C. Lincoln has been for several years compelled to devote time urgently needed in conduct of his \$33,000,000 annual business in defense of this ridiculous attack by our Treasury and tax departments—involving the payment of an incentive wage unprecedented in industry.

This wage averaged, for 1300 ordinary workers, nearly \$6000 a year which the unions and the two departments mentioned combined in pronouncing excessive and therefore illegal—until Mr. Lincoln finally got his case squarely before understanding judges who found their contentions vacant.

Seldom do we find true progress in solution of labor problems, in whose favor all this great victory accrues, backed by the Court. This gives several million dollars to wage earners and consumers. A request to this company will bring you their great story.

'GET POSSESSION OF YOUR OWN RESOURCES'

THIS IS THE MARSHALL mandate to 66 nations: Why not to 67 so we could enjoy equality with the rest of the world; and so we could sell the other 66 the resources they need? And then Marshall logistics assert themselves and in the same self-defensive way:—'Get possession of your own transportation, exchange and trade.'

It is no use trying to utilize our resources in rebuilding war devastation and in averting another war without those resources can be delivered ANYWHERE. People nowadays become great experts in production without even knowing that exchange, trading is the most vital stage of production.

So we have gone along thru 200 years or so of great prosperity (production) not realizing that a system of tariff taxes or SUBSIDY called protection (!) had set us back heavily instead of protecting us, establishing us as a truly ISOLATIONIST nation.

This is a situation which has not yet been tackled by anyone on behalf of the Marshall Plan. The plan is IMPLICIT in that plan and its realization is expected by all who have faith in it. It is the very clear statements made by the Secretary and the many friends that have rallied to his support.

MARSHALL PLAN LACKS KEY DECISIONS

THIS, THE H-T HEADLINE says, is the Secretary's own admission. And this of course is no surprise. And has been very small, as a plan; and the very big in its scope and very lucky and very popular in its PROGRESS, from any standpoint or CONCLUSION, the big half is TO DO.

In other words, the Marshall Plan bigness was as a Great Conception, in its economic and political soundness; and as a Potentiality. Its brevity should not be omitted as its first quality: it needs only 11 words to state its essence:—TO 67 Nations: (including USSR and USA) 'Get possession of your own resources including your means of exchange!'

One more word, 'ALL', would be in order. Now as our political leaders have been sidestepping the two issues, 'Monopoly' and 'Tariff' for over 50 years since Cleveland was President; and because none of them know the meaning of the word 'Economics', I think 'Marshall' has made wonderful progress considering that the 2 KEY decisions have not been pressed.

Since these two divisions of BASIC monopoly total at least \$500 billion in U.S.A., and doubtless much more than double the amount in our 66 neighbors, (maybe 10 times as much!) and since monopolists have yet hardly had hints of 'Marshall' or invitations to come across, it is quite natural that 'Key Decisions' are backward.

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The David Lawrence Horoscope

"LOOKING INTO ECONOMIC FATE OF 1948"

THIS IS DAVID LAWRENCE'S New Year headline and I am following an old habit of cutting in without reading to see what I would do with such a problem, unhelped. We won't let Mr. L. forget that he said 'ECONOMIC', not political, ethical, etc. So right away we must ask can 'WE' exist—say a year—without an economic system?

Mr. L. also says 'FATE': this is not just one of those columnist week-letters. So we must not be blamed if we are serious. And headline not limiting us, the world having shrunk in size, and we having mixed it up a lot, we will let our survey have some rope—say the universe.

Generalizing (which perhaps is best) I should say that the most valuable help in this fateful query might be in the direction of inquiring into the exact purpose plan and administration of our ECONOMICS. Are we warranted in expecting success from them? And let us answer:—Eating ourselves with a withering declaration of this word and of the first few 'purposes' we shall advance for starting along our achievement in 1948 (even tho it may take a decade to finish them.) Above all, the circumstances as mentioned should commit us in delivery of this message—TO ACHIEVEMENT.

ECONOMICS WITHOUT A SYSTEM?

PERHAPS MR. LAWRENCE didn't think I meant to even hint such a thing. But the fact is I am more inclined to ASSERT it. And he won't have to do much digging to find that we have 1500 colleges and 12,000 highschools that have not even a haze idea of what real economics are.

So our first action of defining and listing Economics is in order. And Webster's is quite good enough:—'The production and distribution of wealth.' This is all done by LABOR, assisted by capital which is also composed of labor.

'Wealth' is everything everyone consumes. Labor is everyone who works. Not 15 million unioners but 100 million mostly still free. Capital is nearly all saved wealth—all production facilities. That's mostly all, save the biggest item, THE RESOURCES.

Try and conceive the importance of every THING, all the raw materials that are demanded to render perfect the job of delivering to 147 million consumers of U.S.A. alone, all their needs. Then lay your finger on this as the weak spot in your economic system making it WORSE than NONE.

FATE AND A SYSTEM THAT DOES NOT WORK

MIND YOU, THIS IS THE economic system—the one system that must work perfectly—OR ELSE! There are 3 'reciprocating' parts to it as I've listed—(1) Land (2) Labor (3) Capital. Operating, it is the system's ONLY function to see that every

dollar of pay gets to labor and capital.

Not doing its work it helps about HALF the proceeds of all production to get to the pockets of RESOURCE MONOPOLISTS via the route of Product-Taxes on industry which inflate prices twice cutting purchases half—and also business volume and labor employment.

Let's make it a little clearer: our greatest menace is a LABOR WAR. Yet here we are with ECONOMICS which permit half of our labor or industry—labor and capital—produces being STOLEN by a tax-system!

Looks complicated Mr. Lawrence? But it is very simple. Go back to those RESOURCES—200 to 400 billions of them—of tax-exempted or subsidized and therefore monopolized value and causing two ECONOMIC tragedies (1) holding up all industry in its raw material, (2) paying all taxes through doubled prices and driven buying and employing labor.

NOW THE ECONOMIC VERDICT

LET MY THREE PARAGRAPHS stand while I now read new lines about at least another almost commonplace with Lawrence, looking for missing Economic essentials. If any. He speaks of obvious Economic Faults and of polyana refusal to face them. Politics are taken on, I warn of two fearful dangers Polyana and Politics.

INFLATION! what DOES cause it? Is there a cause deserving mention beside Taxes on Products? Is there a CURE for wage monopoly, for Price Monopoly and for Monopoly of Resources themselves comparable to shifting taxes from Products to those Resources? Did not the Marshall Plan have the key? Resources and movement of them?

Isolation of tariff walls and hundreds of billions of monopolized resources are Obvious Natural Monopolies which Fate expects Economics to remove. The Lawrence last column is eloquent and perfect in logic. All it needs is to be driven home Economically.

All the Economic elements are handy here and it seems to me that Mr. Lawrence's prime error is in leaving ANY of them unused and using any of his space and great abilities outside of the confines of the Science which cannot be resisted.

"What Makes Workers Work"

By James F. Lincoln

Wouldn't you like to know? Here you get a brief account of the way and how of successful Labor-Management - Consumer realizations, the essential facts about Lincoln's Incentive System. Reading time: 39 minutes. A Must for Workers. Ideal for distribution to all employees. Single copy, 25c; 9 copies for \$1.00; 50 copies for \$5.00. Postage prepaid.

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There are two kinds of Democracy: Political and Economic.

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50 years an industrialist and student of Scientific Economics. Co-ordinator, in 1892, of the 'watch' that made the dollar famous. 500 million sold. Record broadcaster and lecturer, Economics and Taxation, nearly every State. President National Tax Relief Association. Ed. 'democracy', 1165 Broadway, New York City.

HEALTH

PAPER A MONTH OR TWO late due to my first illness, and I think that was mostly a mistake. At least it was carried almost to the Mark Twain point of EXAGGERATION.

We are still debating whether it was a common headache called 'Migraine' or a very slight something-or-other. Anyway it's over and I was unanimously voted a couple of very tender weeks' care. THANKS! (CHI)

SHOULD GOVERNMENT CONTROL THE AIR?

LET US SAY BY LICENSING radio stations and controlling air flights from their bases. And let us deal with Fundamentals only. David Lawrence brings this subject to us in this way as to Radio for which we should thank him for applying LOGIC to economics, confused as they generally are.

First, the air is the Earth which, the monopolized thru exemption from taxation, in turn requiring product-taxes, doubling living cost and halving volume of business, employment and wages. So air is, especially in recent years, a good part of the only right source of revenue.

That revenue may however all be taken with no interference in the radio or flying business. This leaves us to deal with our ideologies separately. Mr. Lawrence recognizes a leading one as Freedom of Speech: and the newspapers as in the forefront thereof and does not countenance the FEC bias, frankly expressed, against newspaper radio stations.

If we could clear up our economies by collecting all taxes from natural sources such as air, this freedom and most others would be safe. But with the present mix-up catering to religious prejudices and thinking of monopoly in trivial terms such as these will occupy our fellow travelling government.

EXTENSION PLAN FOR PROPAGANDIST 'ORGANS'

MR. BECKWITH OF THE 'Forum' (Stockton, Calif.) is frank and accurate in stating the position of scores of ambitious publications and other activities necessary to the growth of many truths: which, as he puts it, are like Columbus when he was trying to convince people that the earth was round and would bring him to the promised land. Could he have sold that idea in any form? Certainly

IS LAND OR TITLE OWNING A RIGHT?

J. RUPERT MASON has communicated to John S. Codman the fact that a TITLE DEED to land is a privilege not a right. This Codman is using in an argument that has been going on under cover for a number of years that seems to be now coming to the surface.

That tax and the 'SINGLE TAX OF HENRY GEORGE' should not intervene, and especially in teaching, in the use of the George Doctrine of Economics—that only the device or principle of collecting ground rent should be invoked.

My contention is that this proposal leaves nothing to either Georgism or to Economics, to which there is nothing but the destruction of land monopoly which cannot be destroyed except by SINGLE TAX—This may be effectively pressed by 'collecting the full PRIVILEGE' or 'by paying RENT' which George contemplated when he named these processes SINGLE TAX.

If there is anything to Mr. Mason's discovery to weaken George's hold on Single Tax as a cure for poverty, I hope he will at once show me so I won't spend any more time in defense of something I have considered a big asset for quite a while—say 70 years.

THAT FREE ENTERPRISE SYSTEM OF OURS

RALPH HENDERSHOT, ECONOMIST for Scripps, quotes a big business luncheon friend as hedging on commitment to this system for fear of its letting us down in the next depression. This position this keen writer very properly and ably criticizes as occupied by too many weak-kneed INDUSTRIALISTS.

Hendershot seems to specify two weaknesses in his critique:—(1) A lack of concept of depression, deflation, and the INFLATION that is their forerunner. And (2) confusion as to how business may leave the let-down-in-prosperity-and-solvency on the government doorstep.

The columnist might effectively add to this weakness a very inadequate understanding of FREE ENTERPRISE ITSELF. Enterprise can never be free with 25 to 50 billion of taxes loaded on it and its employees and customers. Inflation starts, spirals and ends in chaos thru doubling prices and halving buying due to these taxes.

While it is apparent that government is chargeable with the impoverishing PRODUCT-TAXES, it is just as apparent that they will not be shifted to their natural source until the process of organized education which only industry can command, are invoked and brought to bear on ALL THE VOTERS specified to Tax Basic Monopoly Out of Existence.

NOT! Nor can WE! Our job is to get them (the general public) to accept our idea as a Free Gift: in other words to let us EDUCATE them without tuition.

Yet there are millions of people who are actually seeking ways of helping release TRUTH per se from its shackles and who would yield to the various persuasions of its thousands of capable and zealous advocates.

In other words, let us say truth is sub-divided 100 times, each having a limited few such advocates. And to them the social law applies:—'In union there is strength.' So I am now suggesting to the few of these 'zealots' I happen to know, of whom I attach a purely suggestive list, that an exchange of names be effected for mutual benefit to you, to ourselves and to our subscribers. Presumably name-for-name.

RENDER UNTO CAESAR ALL THAT ARE HIS

AND WITH THE SAME EXACTNESS, TO WHAT ARE GODS AND MANS

RENDER UNTO CAESAR

'THE GREAT COMMUNITY' MORGAN

THERE'S NO WAY TO AVOID this and be saved. I am applying the phrase to Economics, to Natural Resources, to Property, Wealth and to MONOPOLY. In fact to the God-Given-Earth-Itself! The LAW (of Nature and of Nature's God) is that everyone of these elements are of two invariable divisions and OWNERSHIPS.

And it matters not how madly one (person, party or nation) is pursuing individualism or collectivism, everything of substance or worth must be delivered to its producers or creators according to which brought it to being. 'Render Unto Caesar.'

N. E. C. ATTACKS NEWSPAPERS AND COLLEGES

IN PASSING, MERWIN K. HART, Pres. of the National Economic Council, does a complete job on Hollywood communist rebels under 'No Wonder They Squawk' in letter 179. Of course we all rejoice to hear the comany rounded up by a writer of that power and dignity. BUT it is the weakness of most such writers and working for such business people that they don't look behind these rebels.

FELLOW - TRAVELLERS are the vast force that brought us the comany. And the greatest service Mr. Hart has done his 144,700,000 fellow citizens and Industry at Large - all business and its workers - is his round-up and analysis of a splendid variety of FELLOWISTS.

And as this includes such powers as—papers, colleges, churches and big businessmen, this No. 179 yellow is an event in actual progress. For this DEGENERACY in our society and economy and civilization itself is not getting much attention from our writers who have the ability and facilities to SPEAK.

Indeed this is the most forcible word in this great number in N.E.C. series, when Representative Business is having its say about two institutions in particular that are deserting their vital interests and selling down the river our FREE ENTERPRISE and our INDIVIDUAL DEMOCRACY - our 1500 colleges and 12,000 high-schools and OUR NEWSPAPERS.

SIGNIFICANCE OF THIS CONTRIBUTION OF N. E. C.

NOTORIOUSLY WE ARE DEFENDING ourselves, neither against communism, or what is our most obvious default, the variety of traitorous fellow-travellers, without whom Marxists could have got nowhere near us. This default centers mostly in Industry and Commerce where N.E.C. resides.

This Council was organized for such defense by needed economic correction employing besides President Hart, Rose Wilder Lane, Upton Close and others, in effective attacks on New Deal, Unionism and Communism, now their power is being thrown against force that belongs as much in other than those quarters.

So-called conservatives have refused either to see what Hart is telling them as to Communism and have been equally blind to their own relations to the papers, colleges and other portions of the UNITED FRONT they directly and generously support.

When business and industry go about organizing themselves for three changes the whole horizon will clear:—(1) control their universities, colleges and high-schools (2) control their newspapers and magazines (3) organize themselves and labor on a complete incentive system.

Let Caesar symbolize the people, Society, Nature. Then Economic Law must umpire this RENDERING: The Resources can have no owner nor can ANYONE but ALL of SOCIETY, have their income, royalty or rent. Which about equals society's fair cost of administration.

This leaves this law inviolate as to Property, Wealth: and all Human Activity FREE of all encroachment by Society: which is now impoverishing all the individuals therein (2 1/4 billion of them) because instead of the Resource-income paying Social costs it is captured by OUR PRECIOUS PARASITES.

SHALL WE HAVE IMPROVEMENT OR CURE FOR LABOR WAR?

IT IS OF COURSE LAUDABLE for everyone to be doing his best with tools he has. BUT the most important work is to get better facilities for the right job and operating them. Lawrence Fertig, economist in the Scripps' papers, reports a new labor formula adopted by the Continental Paper Co. of New Jersey.

It applies economically to what is known as the 'distribution of wealth', meaning labor and capital do all producing, and the problem is to divide satisfactorily all the product. And here is the parting-of-ways between guesswork and improvement (?) and sound economics and cure of labor-war. How shall we tell how much each productive factor shall have?

One thing we shall credit these progressives, they insist or assume that no one but labor and management shall have any whereas now monopoly and taxes get the BIG half. Their answer to the 'HOW' question is by agreement, tho their phrasing is as if 30:5% to labor were determined exactly, by subtracting from 100 (the total of product) all other cost, mentioning a few items such as materials and overheads.

The obvious fallacies here are 3, tho the 'guesswork' may be good:—(1) the percentage arrived at contains little more of friendliness or exactness than a fair wage scale (2) taxes and monopoly rob both partners (3) both factors are mostly wanting in incentives to greatest production, as at present.

STEP-BY-STEP TOWARD LABOR-PEACE

TO FILL THE GAP BETWEEN improved formulas and mere optimism what might be done? First, supply a bigger base of total production to divide. This means a greater incentive for workers. Of these outstanding is that tested a half century by the Lincoln Electric Co. and fully detailed in President James F. Lincoln's books and pamphlets.

While the Lincoln System aims first at Workers Incentive, it inevitably equally helps two other interests as much financially. First is every consumer, 145,000,000 of them whose greater value-for-dollar should be DOUBLE. Next is industry, capital and business whose total volume may rise to \$200,000,000,000.

To insure full and continuous results Management should as promptly as it has ever done any of its 'miracles': set about ORGANIZING its two affiliates, all the producers, everyone who works some 100 million and everyone who buys, pays and CONSUMES—that is every soul in the U.S.A.

This ORGANIZING falls to the lot of business for the simple reason that they are the ORGANIZERS. It will seem strange for unionist and some consumers to have capital performing that service. But a few good jobs, raises and lower prices everywhere will cure that distemper.

PROF. ARTHUR E. MORGAN, Yellow Springs, Ohio, has written a pamphlet of this title (25c) which means the SMALL community but which his philosophy renders the greatest, even of the big cities. His logic is that in the small community only may we today find normal American life: and that progress must secure its expansion.

There is a Decentralist Movement, supported by 'The Interpreter' of Box 235, Brookville, Ohio, which is currently holding a convention at Parsons College, Fairfield, Iowa, which aims to reverse the devastating drift of population from country to city.

Dr. Morgan is doubtless supplying this virile attempt with its literature and texts. And admirable and complete as they are, they will all be needed to meet in head-on collision with the hordes of modern urban corruption of what are considered a national culture.

Whether our cities have deteriorated over our political 'states' or whether this is an economic degeneracy, Dr. Morgan does not enter into. But it seems to me that our 'industrial revolution', without relief from the stress of taxation and land monopoly, is principally responsible for the syphoning process so dramatized by Dr. Morgan.

MAN SEEKS THE EASIEST WAY

DR. MORGAN DOES NOT even mention this fact of nature together with the Economic fact that taxation and land monopoly have year by year, and decade by decade, tightened the conditions under which farmers have to exist. The call of the factory, office and store becomes irresistible.

Dr. Morgan gives no hint in his admirable 25 page analysis, what he and Decentralists will offer to offset twice the income and in spot cash: and 'utilities' very likely rated by him and family as another multiple. Man seeks to satisfy his wants on lines of least resistance!

Farming is enterprise, requiring investment, experience and hard work. The whole weight of discouragement of which our enemy the state is capable, is concentrated on enterprise and industry and in favor of slothfulness, speculation and monopoly.

DECENTRALIZATION has two competitors which may lead it astray under the stress which threatens it:—Farmer Subsidy to 'The Great Community' to the deeper disgrace of our economics. This, unless the whole cure is not sought—the destruction of basic monopoly by shifting to it the product-taxes now causing at least 100% of inflation—pre-war.

AGRICULTURAL VALUE 111 BILLION MEANS WHAT?

THIS QUESTION IS FOR NORMAN J. WALL, Agricultural Dept. Economics to answer: or the A-P editors. They tell us a lot of figures such as 'double the figure of 1940', but never quite clear whether it is ASSETS or EARNINGS, except by inference—which we adopt as the former.

But we are more impressed with vagueness than with the ECONOMIC quality of the story:—This year's increase \$12,000,000,000: but in a jumble of 'real estate', livestock, crops, household equipment, etc., etc.—everything but debts which on 'real estate' had risen 2 billion.

Not a word here about INFLATION, as if farmers were incapable of either suffering or profiting therefrom. And especially of supplying the BASIC ELEMENT thereof. Nothing for this Dept. to explain to us voiceless and fearless voters about billions of subsidies that have DOUBLED THIS VALUE.

WHAT'S WRONG WITH THE HENRY GEORGE SINGLE TAX?

THE ONLY CURE FOR MONOPOLY OF LAND, IT IS THE OBJECT OF MUCH CULTURIST-HERETIC ATTACK

What's Wrong With Single Tax?

IT HAS 75 YEARS OF REPUTATION AND GOOD-will, its author is America's greatest Economist, Henry George, who devised it to serve two specific and vital purposes, and gave it its singular and appropriate name.

Yet a dozen former (so-called) Single Taxers are SNIP-ING at it—the only name it has or can properly have. They say they don't like the sound of it. But I suspect they are sorry for the parasites, land-speculators and monopolists the Single Tax aims to kill off—just like that!

George made two great discoveries: (a) the cause of poverty, crime and war and (b) the certain cure for those threats to society. The greater discovery obviously is the SINGLE TAX cure. So it's THAT these highly honored HERETICS want to FORGET.

The Cultist-Heretics effect to find in Single Tax and taxation generally, some weakness in achieving the collection of Economic Rent which is the technical object and the only way of making this collection.

SOME NEGLECTED TRUTH ABOUT 'SINGLE TAX'

HELP FOR MESSRS. CODMAN AND CHANDLER

WE ARE 'PRIVILEGED' TO print some paragraphs from a recent letter from former to latter which should help us to understand them:—

"I agree with you that 'the Georgist philosophy is basically one of public collection of rent.' Therefore I do not like to refer to it as in any way being a 'tax,' such as 'single tax,' 'taxation of land values,' 'unearned increment tax,' etc.

"I hold that title to a location on the land is a privilege accorded the title holder for which he should pay full value to the public, namely the full annual location rent which arises as the result of community, including government, services. It is our job to make this clear to the public and no campaign for tax reform can accomplish this. It can only postpone understanding of the truth. "Our failure to demand payment for privilege has for its consequences the double curse of taxation and of speculation in titles to land."

Mr. Codman returns the 'Chandler Bill' making no comment as to its abandoning Georgian Economics in taxing UN-IMPROVED and UNDER-IMPROVED land higher than IMPROVED. Thos. Luikin of the N. J. H. G. S. S. S. strong for Common Ownership, fared even better in Codman approval.

Furthermore I do not find in above paragraphs including the discovery of land holding or owning as PRIVILEGE anything to weaken TAXATION as the only possible method of collection of all dues therefor. His labored argument to one over 60 years familiar therewith helps neither party to explain departure from economics of ANY origin.

Codman's preference for terminology in his 3 excellent annual grocery journal articles should be no signal for adoption of economic apostasy. His crucial error is in the words "No campaign for tax reform can accomplish this." — Where the truth George discovered and he here denies is: — "The way this is to be accomplished is by THE SINGLE TAX ON LAND VALUES—AND THE ONLY WAY!"

CAN WE RID OURSELVES OF A NAME?

I HOPE NOT AND THINK not especially as it is descriptively perfect and perfectly authentic. It is common (very) for these attacks to assume that 'Single Tax' is doomed and to think it fair to assert that George did not discover nor name it:—

"Brooklyn Lawyers" (probably Thomas G. Shearman, Author of 'NATURAL TAXATION', second only to 'Progress and Poverty') picked it up in Europe and George accepted it. Maybe the name was originally 'Le Impot Unique' and by those Pioneers of Economic Science, The Physiocrats of the French Revolution.

But they were not pioneers in APPLICATION which must now be credited to George and then driven home to all these deprecators of Henry George. And the more and the bigger they are in this faltering movement, now 75 years old, the harder this DRYE should be.

RESTLESS REPORTERS

HENRY GEORGE LAUNCHED his great reform over 70 years ago, since when many splendid men have worked effectively to bring the world to the economic changes he developed with such admirable force. But that world has resisted and refused the Gospel.

And I have seen one after another of the men who had devoted their lives to working in this cause, and some of them contri-

buted their fortunes, fall by the wayside, discouraged. It was easy to find things wrong with the plan and program.

And it was easy for individualists to follow each other into the bushes—the blind trail. And almost unbelievable, it was easy for them to follow discredited leaders and easy for them to pander to the weaker elements in building and preserving the perfect form the subject demanded.

MOOT POINTS IN ECONOMICS

JOHN S. CODMAN of Boston asks, Oct. 20, '47:—"Is not 'owning' or 'holding title' to land the N. W. passage (to quote you) to simplicity?" My answer is YES: which is my reason for insistence on the cessation:—

By L. D. Beckwith in the name of economic science; and by the HGSSS in the name of Henry George Political Economy, of advocating the ending of title-holding and of private ownership of land; and of teaching the common-ownership of land.

They accord neither with good science, with Political Economy of George, nor especially with the simplicity so much needed to make economic reform teachable.

Codman then quotes Rupert Mason as stating these forms—title-holding and land-ownership — are privilege granted by government and not a right or contract; which I have never heard questioned.

Then, quoting my headline at page 4, July 'democracy', "When can defend private monopoly of the Earth?" he says:—"Good; but in my opinion the answer is not 'Single Tax' but full payment for privilege." Here Mr. Codman seems to approve me, except where I am a Georgist in remedy. Elsewhere he just doesn't like that word TAX! UGH! Is it possible he has grown so fast as to have surpassed THE MASTER?

I dislike to take Mr. Codman into my collection of cultists or heretics as I have always looked to him as an authority on economics. But he here joins in discarding from the Henry George Economic Doctrine its CURE FOR POVERTY; and for reasons of pure sentiment and verbiage. This leaves Georgism as nothing but a diagnosis and of weak proportions and I shall vigorously CHALLENGE HIM along with all others equally guilty, tho I make no special claim to the keeper of the George Reputation.

WHAT IS 'SINGLE TAX'?

THIS IS MY CHALLENGE TO Codman who has here said that the George Remedy for Poverty is a mistaken Remedy. And tho he is stingy with words, he seems to use J. Rupert Mason's profound and useful statement to bolster his fantastic fallacy that the George Remedy will not effect the full payment for the 'privilege' as Mason properly describes LAND MONOPOLY. If this is a case of clever debating, I want to stay with it as it seems to get to some large issues.

I want to cut out of all economic teaching three things: — (1) Advocacy of Common Ownership of Land (2) Condemnation of Private Ownership of Land (3) Condemnation of Title-Holding to Land.

I have 3 reasons for this position: — (a) Common Ownership is the Marxian Communist, USSR theory and practice of vitally needed reform of land tenure which is utterly impracticable and unworkable, because it only makes complete and perpetual land monopoly under bureaucratic expropriation.

(b) The equivalent ending of Private Land Ownership and 'Title-holding' and consequent expropriation as being furthest from the Georgian interpretation of land reform and of Individualist Democracy.

And finally (c) as defending the whole Economic Solution by this country's greatest Statesman and Philosopher; and ending the dangerous confusion of this movement with Marx Dogma under a half dozen names of Pseudo-Socialism. We cover neither Marx or Fellow-travelling.

IS LAND BOTH A PRODUCTIVE AND COST FACTOR?

TO MY CLAIM (AS A PHYSIOCRATIC economist) that while there are three factors in wealth production: land, labor and capital, only two of these follow into cost or (legitimately) into price: because (a) any such charge into cost or price as rent would be faced with the offset that increase in product equals the rent. And, abstractly, that land never having had a legitimate owner could have no rent recipient:—

To this John S. Codman says, Oct. 18, '47:—"two factors in production, land the passive, labor the active. If land is not considered a factor then there is only one, namely labor, as capital is not a factor since it must be produced before it can be used."

(1) This seems to ignore my claim of 3 factors in production but not in cost or price. (2) Where is the fault in my reasoning? Also is capital not a factor in production for the reason given when its whole normal function is as stored-up productive facilities?

MORE THAN APPEARS TO THE NAKED EYE!

'SINGLE TAX' HAS BEEN the cleavage line between those who wanted to get George Economics into operation and those who had habituated themselves to teaching them, and often teaching George philosophy instead of his science or economics. Whenever moves have started to ORGANIZE the George Remedy, fan-finders multiply.

So I will now repeat what 'democracy' has narrated in many forms:—George made two great discoveries: the first was what was wrong with us—what caused our POVERTY and some almost equally puzzling horrors such as wars and unemployment. And finally and most practically important, what we could do to CURE our troubles.

In other words George discovered the Cause of Poverty but he did not leave it to another people or another generation to discover the Cure of Poverty. And the CURE has priority over CAUSE in importance and in close analysis. The cure was taxation. It was then and by him named the Single Tax because it proposed to boil maybe 1000 taxes into one. And that was not the biggest reason for immortality as enormous as it was.

WHY IS SINGLE TAX GEORGE'S GREATEST WORK?

LET US GO ALONG WITH him: he was a poor and uncolleged educated man. From his own experience he had found where speculation and monopoly of land had caused both high prices and low wages. He prayerfully asked how he could effectively stop these interferences but refrain from any such interferences as he knew socialistic bureaucracy involved.

He saw the devastation caused by the present system of taxes which he applied these names to all as destructive of prosperity:—Sales taxes, consumer taxes, indirect taxes, underground taxes, impoverishing taxes, and examined into their cause.

This at once forced to his attention the obvious reason for the reverse of taxation—ITS EXEMPTION. And the absolute relationship between the hateful taxes we were cursed with, and the equally hateful exemption. He found that these two curses went HAND-IN-HAND.

He found that insane taxes that doubled costs of everything everyone bought and halved jobs and wages for everyone that worked could only be accounted for by consulting the interests of those who monopolized land and natural resources because they bore little or no tax.

MAY LAND BE PRIVATELY OWNED?

MR. STALIN SAYS 'NO.' AND I have a text book called 'Economics Simplified' and a Manual accompanying it which declares repeatedly that Land cannot properly be privately owned. That such ownership must therefore be ended. And that land must be commonly owned.

These books are printed in great numbers by the Robt. Schuylenbach Foundation, sponsored by the Henry George School of Social Science, both of 50 E. 69th Street, and circulated throughout Christendom, and especially to thousands of schools and classes where these schools have organized.

The teaching of these classes based on these texts has confused Henry George and his doctrines of Economic Science with the fallacies of Marx and Stalin who have already accomplished what these texts are demanding, which is in effect the expropriation of all the land of the U. S. A.

The only things George ever AUTHORIZED TEACHING were two:—(1) Ending of land monopoly by placing all taxes thereon, applying the Single Tax and (2) Removing all present taxes on products, substantially ending: inflation. Observe that this action was almost equally important in its securing EXEMPTION and levying of TAXATION.

THEN WHAT, IF WE CAN'T OWN LAND?

HERE'S THIS MR. MILLS whom I tell about in No. 89 'democracy' (P. 4, col. 1, 2), just an average country Editor made us admit that our 556 page book 'Land Title Origins' had to be qualified because of the tangle these Cultists, or heretics, have got us into. He says: 'One title is as good as another.'

That means a much simpler thing—"that no title can be any good." And that's exactly what George was getting at all the time, but some amateur saw a chance to misunderstand him which, of course, he couldn't miss. Hence these volumes.

George worked out exactly what had to be done but in not enough detail for delivery—we did not want to play the Marx game, and we wanted LESS to play the old U. S. monopoly of land. It had to be a new idea and it had to have a TAX.

For once a tax would be used FOR the people of the world instead of AGAINST them. He had two big tax ideas and of exactly reserve kind. One was to devise and install a new tax and the other was to follow that with the ABOLITION or EXEMPTION of a tax.

GREAT CAUSE AND EFFECT

LET ME BRING OUR SITUATION right to our own doorstep:—our taxes have grown till they absorb about all our money. Poverty is on us and we see the taxes build it. George asks WHY? He

OUR SOCIAL PROBLEMS MUST HAVE INDIVIDUALISTS ACTION

147 Million People Have Created Land Value Equal to All Property and Wealth; The Land Should Bear All the Taxes

A TRULY PRICELESS BOOK

'SOCIAL PROBLEMS' BY HENRY GEORGE, ALFRED N. Chandler, Editor. Its price in gold is not too much because Mr. Chandler has given his genius to condensing this original work so the PRICE may be low even as inflated. It is sold by the Haldeman-Julius Co. of Girard, Kansas at 25c.

The great merit of this 25 page pamphlet is that the reduction of from 288 pages, or 90%, without disturbing a single paragraph or omitting any essential of the author's original theme. This responsibility Mr. Chandler accepted from abundant familiarity with this work.

His inspiration was dual: a belief that this was Mr. George's best book of propaganda, and that its greatest need was a place of the most popular price. George's full size books are supplied by the Schalkenbach Fdn. (50 E. 69th, N.Y.C.) at low cost, but this in authorship and printing is real achievement.

As readers of 'democracy' have before read, the most pressing need of Political Economy is that of simplifying. And even before this 90% boiling down, Social Problems was our most easily grasped statement of Natural Science and very little is here lost of the Author's profoundness.

Social Contrast Individual Problem

ANOTHER BIG COMMUNIST EARTH-GRAB

N. Y. TIMES STORY 10/19/47 from Nanking from H. B. Lieberman gives as convincing proof of what is brewing WWII as could be sworn to in a volume of court testimony. Yet it is almost verbatim repetition of a half dozen such stories 'democracy' has reported in the last year or two.

This, however, is the biggest as it involves the take-over by a fake land-reform using fake 'democratic' jargon—of the greatest of nations, numerically; and of millions of miles of Earth. The tragedy is that these extensive, repeated and OBVIOUS proofs of the universal war-cause fall on deaf and DUMB ears.

USSR 'land reform' is what they call common ownership of land; and some of our careless—or worse—economic teachers recognize as real reform (or its equivalent of ending title-holding or private land-owning) whereas our reform is not disturbing any possession or Use.

But rather we propose to multiply unmeasurably land-use by taxing out of existence its ownership or holding for speculation or monopoly by taxing away ALL the social value created by all the people, or society, where USSR perverts and perpetuates the monopoly.

LET'S GET THE ANSWERS:—

THESE ECONOMIC 'SCHOOLS' comprise about all the active teaching in U.S.A.: which with but slight variation under three heads condemn: (a) private title-holding of land (b) private ownership of land and (c) demand common ownership of land.

I charge that this teaching is heretical of Georgian or Scientific Economics; and clearly Communist in its fallacy. That it displaces the obvious cure which is the destruction of land monopoly: and is our only demand.

And that this would multiply land ownership and title-holding FOR USE say, to be modest and conservative, 10,000 times. And I also charge that whereas, in spite of various specious arguments aimed at taxation and the Single Tax as a method of multiplying and making universal the ownership and use of land by freeing it from monopoly, that such taxation is the only possible method.

The talking of rent displacing taxation is just talk because there is no difference in their essence: or rather the rent collection can only be accomplished by what all the dictionaries call tax. So it's just a preference of words for which there is no logic.

THE MOST VITAL CLEAVAGE YET RAISED

GEORGISTS HAVE COM-plain and have suffered most from the incompetency of apparently intelligent persons to comprehend the simple truths he expounded. And here we have one after another of educated Georgists denying the only features of his plan and program which commends it to practical minds, for action.

The H.G.S.S.S. or Henry George School, was organized and has been operated at great cost because our regular teaching institutions are afflicted with astigmatism as to George's Simplicity in Economics. Then should we not hold fast to them and extend in that direction if possible?

How to destroy land monopoly while making the land available to every able honest worker in the country was the problem George finally faced; and the answer was his greatest achievement. It was to tax away the food the monopoly fed on, the value that every piece of land accumulated.

Ever since men took over this great discovery to try and put it into ACTION for humanity's redemption, there has been a cult or schism which from the academic viewpoint opposed the intensely practical demand that taxes be shifted from the masses' food and other necessities to the 'precious parasites' who were holding our Green Earth at Ransom.

LEFT OUT FROM GEORGE MEMORIAL

INCIDENTAL TO THIS MEMORIAL my own birthday occurs: so this No. 90 'democracy' is dated Oct. 29, '47. And incidental again to the earlier election when George ran for Mayor, that of Nov. '86, I had reached my 21st year and taken zealous part in the campaign, and registered from 45 Fulton St. where I camped and cooked and worked for prudential reasons.

The Tammany watcher however challenged my first vote which being 'sworn in' caused my arrest and charge at the P. O. before U. S. Commissioner John I. Davenport: where, says my autobiography, I would still languish had it not been for Davenport's brother who saw me every Sunday at Beecher's Plymouth Church and Sunday School where I sang in the choir and attended class No. 99 taught by Thomas G. Shearman, great corporation lawyer (founder of Shearman and Sterling, still in Wall St.) Georgist, and author of 'NATURAL TAXATION'.

'CONDENSED GEORGIST STATEMENT'

I WILL MAKE MY CONTRIBUTION this prime object as president John C. Lincoln of the H.G.S.S.S. has done in Oct. '47 'George News', before reading his, as I wish to be uninfluenced by a higher authority and in my attempt at condensation or simplification, which I have long studied:—

George made two main discoveries:—(1) The cause of poverty and two kinds of war: It was LAND MONOPOLY; and (2) the CURE for land monopoly which is taxation and which he descriptively named as the SINGLE TAX. This tax DESIGNED to go exclusively on the said monopoly, to destroy it: and to relieve humanity of ALL other taxes.

THE SYNCHRONIZING of Cause and Cure was even more vital than the latter if possible, because it accomplished the two stated objects — destruction of monopoly and destruction of impoverishing and degrading product, industry and consumer taxation at a SINGLE operation — TAXATION and EXEMPTION.

And this operation was again doubled in importance by the fact that while taxing the monopoly out of existence it FREED THE WHOLE EARTH to complete use and ownership by every living soul; and by all labor and industry in the maximum production and earning of all workers and all capital; and service of EVERYONE—the Consumers. That I claim is the ESSENCE of Georgist Science and Philosophy.

NOW LET US READ AND COMPARE CONDENSED STATEMENTS

THERE ARE MANY OF THESE by well-matured 'Georgists' which I shall in due course quote. A recent one was by Francis Neilson in the same paper, asserting that taxation and single tax had interfered with the George Movement. Mr. Lincoln first sets up private collection of ground-rent, for a start and of course basic truth.

Very broad, he invites a better statement; herewith one is submitted. That is, for a PRIMER of George Economics. There's plenty of time for the 600 page 'text', 'Progress and Poverty'.

Instead of single tax not representing George, I think in leaving it out he cuts George down far more than half. Let me ask how he will collect rent except by single tax? And if it is logical to abandon fight on EVIL (product taxation) because it smells to high heaven. Strangely the CULT of Anti-Taxation seems to have been taken on by Georgists's most hated enemy, L. D. Beckwith, who for 25 years published a blanket weekly called 'NO TAXES' but which few common-sense economists 'caught onto'.

OUR NEW MUNICIPAL OCTOPUS

THE INDUSTRIAL METROPOLIS OF THE UNIVERSE

THE FOCUS OF OUR PORT Authority upon a community of this size and strategic importance, indicates an awareness of what they have and an improvement in appetite. And it seems to offer opportunity for some surveying on behalf of some 10 or 15 million people.

Transportation, to and from a great city, is wealth production in its essence. All the 'utilities' the authority has taken over, as if it were a super-authority, reflect and in a way measure, the productivity of these major cities and hundreds of miles of refined suburbs.

New York has not only the most industry, commerce and wealth, but it is the most extravagantly socialistic city in the world. Whether this has gone to create a greater LAND VALUE is to be argued, the debts entailed, the corrupt government, etc., being the factors. But there can be no argument as to over 8 billion of present land value, earned solely by 8 million citizens and all their activities.

Whatever Income or Economic Rent from the bridges, tunnels, airports and piers, it should be in convenient shape to 'socialize'. And that exercise should lead forthwith to collecting a suspected billion on the 'mainland', all of which is now straying into the pockets of a pitiful few PRECIOUS PARASITES.

WHAT PRICE MONOPOLY, FATHER KNICKERBOCKER

THE PORT AUTHORITY, broadening the base of its hold on 10 or 20 million people thru control of their social or land values, their transportation, the approaches via highway, water and air to their metropolises, is making big progress.

The authority is now sending its representative, Director Tobin, to public meetings to explain their plans to those who will invest in their bonds the they are not yet perfected. They effectively use their existing privileges and bountiful profits as well as two great airports coming and all N.Y.C. piers to justify their financing of 250 to 500 million dollars.

Now their affairs are none of our business apart from the terms made them by our representatives for the PRIVILEGES or FRANCHISES they are acquiring. Regarding that we are proud individualists and very firmly against any form of socialism or communism. This sentiment may result in our selling so cheap we may be charged with communism.

The point is that this firm's 'goods' now going to market are all in the nature of unearned increment which classifies them at the very highest credit-point, if they can maintain title at 100%. It is a part of the vital question which some day will have to be brought into the arena of public debate and settled:—the status of 10 to 20 billion of social or land value in N.Y.C. and its surrounding area.

SHALL 'WE' LIST TO THE LAYMAN?

THIS HIGHBROW QUESTION I am addressing as founder of Physiocrats to Charter Members because in a week or two some of the profoundest tenets of Economics have been completely upset or fully equalled by MERE LAYMEN.

And further because I have to sustain my dual contention:—(a) that Economics is SIMPLE and its cowardly that it has been loaded with complications. And (b) that its ESSENTIALS need no appeal from common-sense and common-knowledge as to its principles.

I do not feel that any part of my position is because I wish to

SURVEYING NEW YORK'S WATERFRONT

A \$200,000 PIER STUDY OF N.Y.C. is under way. The appropriation is asked by the PORT AUTHORITY, the paralleled by a similar one from the World Trade Corp. Not only has N.Y. the premier setting and resource for world trade, but its coastline and docking facilities are greatest in the world.

This announcement (W-T, Oct. 24) is stingy as to details considering the bites this 'authority' has already quietly taken in the past few years into our 'Economy'. One of our enterprising papers might use one of its whole pages and not only tell all about this new enterprise, the history of our piers; but also their exact present status.

My impression is that we have 'always owned' our river and bay frontage, (say 50 miles of it): in which case the dual object in so doing could have been: — REV-ENUE and Perfect Conditions of Commerce. The former a basic economic reason which could entail our whole financial and social outlook and future.

The fact behind it is that this frontage has transcendent value: and that it is given to it by all the N. Y. citizens and all their activities. What the method of collecting the income, rent or tax is, we should now know, so as to see whether any new 'authorities' design a division with us.

THE POINT OF THIS SURVEY

YOU'VE HEARD OF THE 'Single Tax': but may not know that it is the ONLY tax that can be defended in logic, justice, or common sense, because it levies only on social resources for social needs. This is what New York's pier plans or taxes have been doing for generations. And this is perfect economic theory, the denied by our whole dishonest tax practice.

The Port Authority is a good name to use for such things as bridges, tunnels, airports and piers, BUT its relationship to some 15,000,000 people of the N.Y.C. area should be AN ECONOMIC ONE, not political. Because these are all public activities, they are the first and most obvious for application of the only correct revenue system, as proven in the case of the piers.

Lacking normal economic education in the U.S.A., in colleges and common schools, we have to learn obvious things, such as that taxes must all be drawn from social values, by experience—the hard way. So this authority should give us the big start on shifting our BILLION DOLLAR TAX LOAD from our daily living to 10 billion of monopoly-privilege starting with these utilities.

Whether the \$200,000 will expand this brief statement and lay the groundwork for perfecting the control by the city of its self-created income: or whether to drive a wedge further in to separate these units as is being done elsewhere in our economy, operated for biggest and most respectable racketeers — remains to be seen.

discredit any economists or their doctrines or because I have any economics to 'sell', or am deficient in ability to appreciate the un-measurable importance of this New and Master Science. But in fact the very reverse.

The greatest danger to me in this is as to Henry George because my differences have been with those who have misused his name and position in the Master Science with their misconceptions, fallacies and heresies. So I demand a return to common sense and simplicity.

"Democracy" 1155 Broadway Room 506 New York 1, N. Y. Robert F. Clark, Editor SECTION 522-A, L. & R.

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