★ The Freeman ★

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The Golden Rule for the Post-War World

* WALTER LIPPMANN, nationally known columnist, gave expression to a profound truth when he wrote recently:

"This fear that one man's or one country's gain is another man's or another country's loss is undoubtedly the greatest obstacle to human progress. It is the most primitive of all our social feelings, and the most persistent and obstinate prejudice which we retain from our barbarous ancestors. It is upon this prejudice that civilization has foundered again and again. It is in this prejudice that all schemes of conquest and exploitation are engendered. It is this prejudice that causes almost all men to think that the golden rule is a counsel of perfection that cannot be followed in the world of actual affairs."

What Mr. Lippmann says is what Henry George said many times and in many ways long ago. For Henry George realized as did few others that men and nations do not thrive at the expense of other men and nations. Henry George knew, and proclaimed it to the world, that Our Mother, the Earth, is a generous provider, that there is enough and more than enough for all, that men's right of equal access to the land on which all must live, move and have their being, is as much a natural right as is their right to the air they breathe. Henry George knew that the instinct of men to gratify their desires with the least effort is a natural instinct, with a right to its expression; that man has an inviolable right to the fruits of his labor and that no one, individual or state, has the right to take any part of it from him. He knew that progress in the arts of production and gracious living are best fostered by the voluntary cooperation of free men.

And Georgists of today know, as they only wish Mr. Lippmann could know, that when men have access to the land, there can be no widespread unemployment; that when there is no unemployment, there will be no poverty, and when there is no poverty, a large part of crime and disease will have disappeared. They know, too, that this happy condition can be brought about by the simple expedient, as Henry Ford put it recently, of taxing land into use, and that such a step, coupled with the complete elimination of trade restrictions of every kind, so that men would be free to trade as they wished the world over, would constitute a well-nigh ironclad guarantee of a prosperous post-war world and an enduring peace.

—C. O. STEELE

There's Always the Land

* LEWIS HANEY, Professor of Economics at New York University, is conductor of a widely read syndicated column on social and economic affairs. One of his readers asked him recently: "Should I buy a house with my savings?" The answer was given in the affirmative, together with the following advice: "Be sure to figure out what the building and lot are worth separately. Don't attach too much importance to the building. Rapid changes in housing standards," he warned, "seem rather probable after the war. Meanwhile you must allow for insurance, taxes, maintenance and repairs and depreciation."

All of which would indicate that the good professor recognizes the constant threat to labor products under our present form of taxation, and the relative immunity enjoyed by land values. Though he has not said so in so many words, he would appear to sense the monopoly aspect of private property in land.

Elsewhere in this issue of THE FREEMAN appears the story of Tom L. Johnson, Cleveland utility magnate, who more than sixty years ago gave as the recipe for getting rich: first, monopoly, second, monopoly, and third, monopoly. It is to be hoped that Professor Haney follows through to a logical conclusion, as did Tom L. Johnson, to the end that he sees absolute private ownership in land as the parent monopoly of them all, and recognizes that until this major social evil is eliminated, railing at minor social wrongs is largely futile.

—LANCASTER M. GREENE

Social Significance of a Leg

* WORLD WAR NO. 1 emancipated the legs of the American woman. They were no longer limbs. They emerged from the oblivion of long skirts, became an integral part of woman's vanity, a joy to the beholder (the man, of course) and a great boon to the hosiery industry, especially the silk trade.

But silk is no longer available. Its step-children, rayon and nylon, are drafted for war service. Our long neglected child "cotton" comes into its own. However, the American brand of cotton lisle isn't so pliable and lovely as the English high-count lisle thread. With usual American ingenuity and friendly trade facilities, the legs of our fair womanhood can still add to the aesthetic part of the American scene with full-fashioned American-made hosiery of English-made lisle thread.

Now comes the blow! The WPB rules no English lisle for the legs of our stockings. It may be used for welts, toes and heels, but not the legs! The WPB says less lisle thread must be imported. In the same breath, it allows 100,000 lbs. of thread to be imported for the American lace industry. The hosiery mills are registering vehement protests; they contend their products "are essential to the welfare and morale of the women of the country" and cannot understand why one industry should be favored over another. Hosiery mills will stand a severe loss, as will the English manufacturer of lisle, while the American woman will suffer the greatest loss of all—a loss in prestige. Legs will again become limbs! C'est la guerre.

—DOROTHY SARA

Shortage of Brains

* THE TOTAL VALUE of land—exclusive of improvements—in the United States is estimated at 140 billion dollars. Annual interest on this huge sum—assuming an average rate of return on investments of all kinds to be 5%—is seven billion dollars. This enormous total of rent actual and rent potential is by no means *all* the unearned increment accruing to land. The 140 billion dollar value is *after* land value taxes have been imposed.

In short, the true economic rent which society could collect, were it intelligent enough to do so, would be seven billion dollars *plus* the total of all land value taxes currently being collected!

Obviously, there's rent enough—it's brains that are needed.

—GEORGE B. BRINGMANN

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* THERE IS NOTHING strange or inexplicable in the phenomena that are now perplexing the world. It is not that material progress is not in itself a good; it is not that nature has called into being children for whom she has failed to provide; it is not that the Creator has left on natural laws a taint of injustice at which even the human mind revolts, that material progress brings such bitter fruits. That amid our highest civilization men faint and die with want is not due to the niggardliness of nature, but to the injustice of man. Vice and misery, poverty and pauperism, are not the legitimate results of increase of population and industrial development; they only follow increase of population and industrial development because land is treated as private property—they are the direct and necessary results of the violation of the supreme law of justice, involved in giving to some men the exclusive possession of that which nature provides for all men.—*Progress and Poverty.*

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A World Gone Upside Down

* IN DECEMBER A YEAR AGO, when all Tahiti's radios blared the news of Pearl Harbor, the Chinese population of Papeete precipitantly fled. Fearing a blitz by an old enemy, they packed dry goods and groceries and the little precious belongings that their fingers searched out in the dark of the Polynesian blackout and departed. Their fragile tropic houses were poor shelters from an enemy whom they knew capable of bombing far-flung places.

Pushcarts, battered cars, buses, trucks and every conceivable vehicle that could be pushed, dragged or coaxed into use, served the Chinese in their dash for freedom. Throughout the night and far into the next day the migration continued. No one believed that there were so many Chinese in the whole South Pacific as glutted the Broom Road in a frantic search for safety.

Soon the districts of Punaauia and Paea bulged with Chinese. They required housing. There were big houses and small ones, vacant because of the dearth of tourists and the fact that residential Americans had long since flown to the safety of their own shores. But the Chinese were not particular. They took over shanties and shacks, ramshackle hovels and copra sheds as well as the great houses on vacated estates. Once fabulous districts emerged from their siesta and again sprang to life. The Chinese refugees needed shelter and they were willing to pay for it.

In the words of Ray P. Davis, who reported the incident from Papeete for *The Christian Science Monitor:*

"The rents were exorbitant. From an average rental of five hundred francs a month, prices suddenly zoomed to 2,000 and 3,000 and 4,000 francs a month. But they paid the prices, these people who seem to conjure up money from the air.

"They paid the prices and watched the world go upside down."

—ELSIE BALLARD

Leveling

* AN ENTERPRISING REPORTER has brought to light the fact that the proposal for a $25,000 ceiling on individual incomes, sponsored by Mrs. Roosevelt and the C.I.O., was lifted from the Communist Party platform of a dozen years ago. The revelation need occasion no surprise though it may be a little disconcerting to the starry-eyed enthusiasts who would have us believe that by such measures is the pattern of democracy fashioned.

The proposal calls merely for an extension of the present income tax rates in the higher brackets to a full 100%, and the income tax itself, being based on the widely proclaimed "ability to pay" rather than on benefits received, is essentially communistic in character. It is distinctly a leveling process, much in keeping with the basic Marxist tenet, "From each according to his means, to each according to his needs."

Conceding that as long as incomes are taxed the man with a large income should pay more than the man with a small income, there is no slightest justification for taxing the former at a higher rate. No one would think of paying ten dollars for a five dollar hat merely because his income was double the average, and much less would he pay fifteen. It is true that when you pay taxes you buy government service and not hats, but you buy government service when you purchase a two-cent postage stamp, too, and you don't risk being called crazy by offering four cents for it.

Since the number of individuals affected by the $25,000 ceiling is relatively insignificant, and the maximum return that can be hoped for is negligible as compared with the vast sums rolling in from other sources, to say nothing of the billions available in the form of economic rent, the suspicion lingers that the proposal is receiving its greatest and most enthusiastic support from those who see it primarily as an instrument of social reform rather than a means of collecting public revenue.

—C. O. STEELE

Democracy

In this article the author of "Recent History" (THE FREEMAN, *November, 1942), "Labor Union and Strikes"* (THE FREEMAN, *June, 1942), "Some Reminiscences of Henry George"* (THE FREEMAN, *December, 1940), and other articles and books too numerous to list, gives us a penetrating study in democracy and government.*

Few contributors to the current day literature of Georgism can boast as long and active association with the founder's principles as HENRY WARE ALLEN *of Wichita, Kansas.*

It was on a misty Sunday morning in the spring of 1890 that Henry George and Mrs. George, pausing for a brief stop in Kansas City on their way to Australia and thence around the world, were greeted at the old Union Station and conducted to the Midland Hotel for breakfast by young Henry Allen, bustling with the importance of being the committee of one designated by the Single Tax Club of Kansas City to meet the distinguished visitors. Mr. Allen's subsequent contacts with Henry George, both in the midwest and in New York were frequent, and it was not long before he had established a reputation as one of the outstanding writers in the Georgist movement, a reputation which, as his friends and readers well know, has endured to this day and grows with the passing of the years.

In the most recent issue of The Kansas Magazine, *published annually in December, Mr. Allen has an article on "Jerry Simpson of Kansas." Like Mr. Allen, Jerry Simpson, Kansas Congressman in the nineties, was a devoted Single Taxer. Both men were attracted to the movement by reading copies of Henry George's "Standard."*

* AMERICAN DEMOCRACY, divested of the despotism and tyranny of Europe that was left behind when our fathers emigrated here, is based upon the natural right of man to life, liberty and the pursuit of happiness.

Ideal democracy is government by the people themselves in harmony with natural law which precludes any interference with that freedom, and consequent prosperity of the individual citizen which is his birthright.

American democracy is the result of more than four centuries of devotion of our people to the spirit of liberty and freedom animated by the tyranny of the old world.

This democracy is based upon the proposition that all men are created equal in so far as political and economic rights are concerned and that, therefore, the rule, "Equal rights for all and special privileges to none," becomes mandatory.

Our democracy has never been free from imperfections and from time to time has been more or less seriously injured by undemocratic accretions. These are in the nature of parasites and must be removed lest they overcome and destroy democracy itself.

This democracy, therefore, is an ideal to be realized as a result of constant vigilance and untiring effort. The right method of procedure is to eliminate those factors in our government, national or local, which are at variance with true democracy and therefore injurious to its life and persistency. For, as was so well stated by Henry George, "Unless its foundations be laid in justice the social structure cannot stand."

Our democracy must, therefore, be constantly subjected to the process of elimination of all that is deleterious. Just as weeds in a garden must be destroyed in order that the desired crop may grow in lusty strength, in like manner the economic weeds which are to be found so persistent with democracy must be killed, in order to preserve its strength.

Our democracy is endangered by alliance between politicians and Labor Unions and other pressure groups. Legislation for favored groups provides legal tyranny over legitimate business, government support of Labor Unions and regulations which violate democratic principles at every turn.

Our democracy must be provided with unrestricted, international free trade in place of the existing protective tariff. The tariff tax is incompatible with democratic principles because it taxes the whole people for the benefit of a few industries and increases by artificially high prices the cost of living to all. Incidentally, tariff walls constitute the primary cause of international warfare. The tariff tax is most undemocratic and its repeal would mark a great stride toward a perfected democracy for the benefit of all concerned.

Our democracy owes a debt of gratitude to the framers of our Constitution who provided that there should be no tariffs between any of the states of the Union. Free trade would simplify government and greatly reduce its cost. The advantage of free trade across the vast extent of the continent has thoroughly demonstrated the wisdom of the founders of the Constitution for this pro-

(*Continued on page* 10)

Is the Single Tax Practical?

By HENRY A. C. HELLYER. *The author of this interesting little story of a practical application of the Single Tax principle is a Georgist of many years standing. He is a Consulting Engineer, specializing in lumber-yard planning. He is a member of the American Society of Civil Engineers, the Chief Engineer of the Tenafly Lumber & Supply Company, and Engineering Adviser of the Northeastern Lumbermen's Association, Rochester, N. Y. His home is in Tenafly, N. J.*

✱ IT IS OFTEN SAID that the Single Tax may be all right in theory, but it won't work in practice. I can refute this argument out of my own personal experience.

Shortly before the first World War I was appointed Boro Engineer in the Boro of Bergenfield, N. J., and continued to serve in that capacity for a period of eight years. In that time the Boro experienced a rapid growth, increasing from a small village of 800 to a town having a population of 5,000. This rapid growth was accompanied by the usual speculation in land. Farms were bought up in various outlying parts of the Boro and subdivided into small lots. Streets were laid out—on paper—and often named on the numerical principle, with the result that we had no less than four "First" Streets in the same Boro. A few small houses would be built in these outlying sections, beyond the reach of the "Utilities," a wasteful procedure, but part of our present system.

From time to time letters would be received and read at Council meetings, from residents of these houses, asking that something be done about extending the water mains to reach their locality. Usually the Mayor would refer these letters to a committee of two councilmen for investigation and report. Councilman Smith and Councilman Jones would interview the Water Company, who would send an engineer to look over the ground. He would measure the distance the main would have to be extended and compute the cost. It might be, say, $2,000. If the people interested would guarantee a revenue from that extension of 12% of the cost, or $240 a year, the work would be done. The petitioners of course were unable to underwrite any such guarantee, and the matter would be dropped.

This had happened a number of times, always with the same result, when one evening a letter was read from certain residents of Merritt Ave., in the Northeast corner of the Boro, and the Mayor (possibly in a fit of absent-mindedness) said, "Referred to the Boro Engineer." Being a Georgist, I saw at once where the difficulty lay. If we could work out some plan whereby *all* of the people benefited could be made to contribute their share, instead of expecting only a few at the end of the line to stand the whole expense, the problem would be solved.

Instead of interviewing the Water Company I made up a plan showing the watermain extension which I submitted at the next Council meeting with the suggestion that the Boro proceed to do the work as a "local improvement," just as if it were a sidewalk, and assess the cost on the property benefited. This was quite a new idea to the Mayor and Council, but they could see nothing wrong with it. I was directed to prepare a plan and ordinance to be introduced at a later date, at which time a public hearing would be held, as required by law.

It was, of course, necessary at this point to discuss details with the Water Company, so the Boro Attorney and myself were delegated to meet their attorney and engineer, to go over the plan. At this meeting they, too, were surprised at the novelty of the idea, but could find no fault with it. After some discussion it was agreed that as soon as anyone on the line was connected up, the cost of his assessment would be refunded to him in full by the company, and further, that at the end of ten years, all assessments would be refunded, whether the lot owners were using water or not. On consulting a realtor I found that a 50-foot lot on a street having water would be worth $150 more than a similar lot on a street without city water. The cost of the main would be about $2 per foot, which would figure out $50 for a 50-foot lot, plus $10 to cover legal and other expenses. Thus it appeared we were increasing the value of a lot $150 at an expense of only $60, and in the end even that $60 would be returned.

At the public hearing there were no objectors, and the ordinance was passed. The next procedure was to advertise for bids. The Water Company itself was the lowest bidder, and the contract was awarded to it. This was natural. Its bid was probably about actual cost. As the company would have to pay in the end, there was no object in adding a contractor's profit.

In advocating the adoption of the Single Tax principle it is generally assumed that some people will be hurt while others will be benefited, and it is justified on the principle of "The greatest good to the greatest number," but it will be seen that in the instance related above, *all* concerned were benefited and not a single person hurt. Is this not "practical"!

A poster at the entrance of a Quaker Meeting House in Burlington, N. J., reads:

REMOVE THE CAUSE OF WAR
Provide access for all nations to the
World's Resources and Markets.
Will you pay this
Price for Peace?

Of Interest

By DON L. THOMPSON. *Tax Collector of Spokane County, third most populous in the great apple and timber producing state of Washington, the author of this dissertation on the economic factor of interest is none the less an ardent Single Taxer. He says he has been one for nearly forty years, and there is no shred of evidence that his views are undergoing any change. He writes: "I have not lost sight of the difference between community-made values and labor-created values in the valuing of property here for taxation purposes. My only regret is that the tax laws of my state do not permit me to carry further the Henry George economic program."*

★ THE ARTICLE ON INTEREST by Paul Peach in the September FREEMAN was not without interest—no pun intended—but involved. In one paragraph we are told that there is a law of Interest. Later the writer implies that Interest is but a part of wages, and finally we are informed that it arises when, and only when, the possession of capital confers a bargaining advantage. To me this is confusing and contradictory but perhaps I have been unable to follow his reasoning.

On the other hand I agree with Mr. Peach that the reproductive-forces-of-nature theory of Interest is untenable. I have never been able to understand how a man of Henry George's ability as an economist could have failed to see the fallacy of such a theory. It is the only weak basic link in his economic teachings. While he did a splendid job disposing of some of the generally accepted Interest theories of his time, he was just as unsuccessful in his efforts to determine the true cause of Interest.

Any contributions to production made by the forces of nature are entirely gratuitous. These forces contribute nothing to the *monetary* value of labor products. Any monetary value which may be added to wine during its aging period, to the calf during its growth into a cow, or to a swarm of bees as it increases in size is traceable entirely to the labor which is *ordinarily* required to maintain the storing of wine, to the rearing of cows from calves, and the care of bees. The fact that some calves may become cows unaided, or that some bees may add to their number and produce honey without the assistance of human labor, in no way disproves the general rule which we have referred to as the *ordinary way* of adding value to such articles of trade. Now if this argument is sound, then the producers of wine, or the raisers of cattle and bees would enjoy no advantage in production over the producers of planes or any other labor product. As long as there is competition in these fields of industry, we can rest assured that it will be impossible for them to reap any unearned increment because of any part played in production by the reproductive forces of nature.

Now as to whether or not there is a real natural law of Interest, I will confess that I have not been able to make up my mind. If there is, it grows out of the *element of time*. Time, as we know, is a most important factor in the satisfying of human wants. People want things now, not a year or twenty years hence. While they may be able to produce those things for themselves, that, too, takes *time*, which involves self-denial over perhaps a period of years.

In order the more quickly to satisfy their wants, which may be for a home, an automobile, or machinery with which to carry on production, isn't it reasonable to suppose that they would be willing to pay a premium over and above the replacement cost of such labor products? I am inclined to believe that they would, and that such a premium is Interest. What is more, I cannot conceive of a time when capital will ever become so plentiful that no one will need to borrow, or use the capital of others.

Now, from the standpoint of the lender—it would seem that the chance to earn Interest tends to encourage the storing up of capital in excess of personal needs, which makes it possible for those needing capital but having none of their own to obtain it from others, have the use of it. If the payment of Interest has worked any hardship on borrowers and users of capital not their own, it is only because they have not been able to earn enough in the way of wages to meet this extra charge.

I am convinced that if Interest is natural, it is because of this *time element*, and that it represents *a payment for the saving in time*. If it cannot be justified on this ground then I fear we are going to be forced to admit that there is no natural economic law of Interest; that instead, Interest is but the result of man-made monetary laws, as the anarchists and socialists have always contended.

The question of tariffs is the most important problem in the world today. It is universally admitted that tariffs are the main cause of world trade depression. Tariffs are strangling international trade, keeping millions out of employment, reducing the purchasing power of the nations, and breeding international hate.

VISCOUNT SNOWDEN, 9/30/32

A Personal Study in Civic Ethics

With the publication of this article THE FREEMAN *inaugurates an* "Old Timers Series," *in which will be reprinted from time to time articles dealing with the speeches, writings and activities of pioneers in the Georgist movement as chronicled by journals of liberal thought in America around the turn of the century and in the years immediately following.*

The initial article, by LOUIS F. POST, *brilliant journalist and stout defender of human rights, appeared first in the Christmas, 1901, number of* The Mirror, *sparkling St. Louis periodical of which William Marion Reedy, forthright champion of economic freedom, was editor. It was reprinted in* The Public, *a Single Tax weekly edited by Mr. Post himself, in the issue of February 8, 1902. It tells a fascinating story of the coming of economic enlightenment to Tom L. Johnson, one of the most colorful figures in the earlier days of Georgism.*

It is our thought that these articles will awaken stirring memories in the hearts and minds of those veteran Georgists who are still carrying on the good fight, as it is our confident belief that the younger generation will find in them abundant evidence that those qualities of flaming zeal, brilliant dissertation, courage of conviction, unflagging determination and untiring effort in the cause of civic righteousness, are by no means peculiar to the crusaders of their own day and age.

There were giants in those days.

* A group of enthusiasts met in New York 15 years ago to consult about bringing into practical politics what is now known as Henry George's single tax reform. One was the late Father McGlynn, the "soggarth aroon," or beloved priest, of St. Stephen's Roman Catholic parish, a notable man in New York even then. The most notable person present, however, was Henry George. He not only represented especially the cause which had brought about the meeting, but he had already achieved an international reputation. Three months later, as candidate for mayor upon a platform indorsing his cause, and after a campaign in which this cause was the sole issue, he polled 68,000 votes, being second in a triangular contest between himself, Abram S. Hewitt, who was elected, and Theodore Roosevelt, now president. Whether or not this campaign was in any wise due to the meeting mentioned above, that meeting served, at all events, to introduce to the single tax movement, and thereby to the political world, an obscure western millionaire, who, no longer obscure, but known throughout the country as Tom L. Johnson, has ever since been an unwavering supporter, as he is now the most conspicuous promoter, of the cause he then first publicly espoused.

Brought actively into politics by fidelity to this cause, Johnson has developed into a political leader of originality, skill, popularity and expanding influence, who interests himself in broad political principles instead of wire pulling, and supports or opposes men with reference only to their attitude toward public measures. Yet, until 1886, he had acquired no experience in general politics, nor taken more than a bare business interest in political affairs.

His abilities had been devoted, from his youth up, to making a fortune. In this he had so far succeeded as to have advanced from a penniless boy, son of an impoverished Confederate officer, at the close of the civil war, to the financial grade of a millionaire while still under 35 years of age. His business success had not been achieved by laboriously and penuriously piling dollar upon dollar. The palaver about the magic of industry and thrift, so much in vogue in his boyhood, had never deceived him. He did, indeed, work hard; but not at what he could hire cheaper men to do as well. He did cultivate habits of thrift; but not of the penurious kind. He did use judgment, foresight, skill, and all the other industrial virtues; but these were not the foundation of his fortune. His fortune, like all other stable fortunes, rests upon monopoly. From the hour when as a newsboy he worked a railway paper route for which he had shrewdly secured the exclusive privilege, until a generation later, when he withdrew from business to devote himself to the cause Henry George bequeathed him, every business enterprise into which he embarked was bottomed upon and buttressed by legal privilege.

Johnson had early realized that this is imperative. He knew that the three requisites of business success are, first, monopoly, second, monopoly, and third, monopoly. He saw that in so far as the industrial virtues play a part in fortune-making at all, it is much more in monopolizing what people need than in producing what they want. These intimate relations of monopoly to business success were with him as with all successful business men, mere common places of business theory and practice. He had given no consideration, however, to the subject in its ethical and broadly political aspects. Getting a fortune without getting into jail had seemed to him, as it seems to most energetic men of this commercial era, the one great object of life.

But Johnson's better mind awakened. His nightmare visions of piled-up dollars, pyramid after pyramid in vanishing perspective, were dispelled, and great realities burst upon his moral consciousness. The circumstances of his awakening, how in a railroad car he was misled by the title of Henry George's "Social Problems" into supposing it a trashy essay on marriage and divorce, and refused therefore to look into it; how the train conductor enlightened him on that point and advised his reading the book; how he did read it, and how his interest grew; how upon finding in this book a reference to "Progress and Poverty," he bought and read that; how completely he fell under the sway of this greatest of George's books, yet, fearing that his mind, then untrained in abstract reasoning, might have been tricked by fallacies, how he solicited the opinion of his lawyer and his lawyer pronounced the reasoning flawless but the premises false; how this clinched his conversion, because, though from lack of academic culture he was timid as to the logic of the book, he had, as an experienced business man, already acknowledged the truth of its premises; and how at the end he converted his lawyer, when the latter undertook to argue him out of his waywardness—this has all been told before in interesting detail. What concerns the present subject is the fact that Johnson was startled by seeing in George's book the commonplace principles of business translated into terms of political economy and civic morality. He now realized that whatever of wealth any man wins as a monopolist, other men must lose as productive workers.

The great economic truth that had been disclosed was the elemental economic power of the monopoly of land. Other monopolies there are, but without this the others could not flourish, and if they were abolished it would absorb their strength. Railroad monopoly, for instance, Johnson now recognized as land monopoly, its power consisting in exclusive rights of way and in terminal points. Street car monopoly, city service monopolies of all kinds, are also at bottom land monopolies, for it is by their exclusive rights of way over land that they control conditions of traffic. And in ordinary so-called competitive industry, whatever monopoly exists, the monopoly of patents alone excepted, has its roots in land monopoly. Moreover, if every monopoly except that of land were abolished, the financial benefits would go ultimately to monopolists of land. So, as Johnson saw the matter after his conversion from money-getting ambitions to humanitarian ideals, the monopoly of monopolies is the monopoly of land.

He saw also the great moral truth that land monopoly is robbery. To see this truth he did not need to have been a college fledgling. All he needed was common sense. Granted that God is no respecter of persons, and it follows that all men are intended by Him to enjoy equal rights of usufruct in the earth. This enjoyment the monopoly of land prohibits. Or, if the idea of a bountiful Creator be considered "unscientific," then, granted that Nature yields her stores only to productive labor (an hypothesis which defies dispute), and it follows, unless righteous principles be rejected altogether and moral adjustments are to be referred to the pirates' code of simple might, that there can be no moral title to products from the earth—which include every consumable thing—except it be derived from productive laborers with their free consent. Inasmuch, then, as monopoly of the earth enables monopolists to extort from productive laborers part of their earnings, it stands morally condemned. . . .

The truth is that Johnson's awakened conscience looked out upon an iniquitous social institution. It was not from the machinations of bad men, but from the development of a bad institution, that industry was plundered and that society suffered. The immorality to which he awoke, and out of which he had secured a fortune partly unearned but in which millions had found only poverty and distress wholly undeserved—this immorality was not individual and capable of correction by individual reform. It was an institutional immorality, which could be corrected only by institutional reform.

The notion that institutional evils can be put away, like personal evils, by individual abstention, is an eccentricity of narrow minds. Though every individual but one were to abstain from monopolizing land, land monopoly would not die out if the institution were still acknowledged, but would be worse. For the one unregenerate individual would then monopolize the whole earth, and all the regenerate would become his submissive serfs. Individuals can no more alter unjust institutions by declining to profit by them than they could alter the direction of a stream by not swimming in it.

Institutional wrongs can be remedied only by institutional reforms. Individual action there must be, of course, for society is composed of individuals. But it must be cooperative and not segregated individual action; not the action of the recluse, but that of the citizen.

So Johnson solved his problem in the only way in which it could be morally and sensibly solved. He decided to devote himself to the destruction of the institution of land monopoly, by the method advocated by Henry George and now known as the single tax; and to do this without regard to its ultimate effect upon his personal fortune, and without any affectations meanwhile of an impossible consistency between his private business, in which monopoly was a factor, and his public work of abolishing monopoly.

He raised his lance not against millionaires nor monopolists, not against the rich because they are rich nor for the poor because they are poor; but against the institution of monopoly and for institutions of justice. The distinction he drew between utilizing monopolies in business and maintaining the monopoly institution, was sharply illustrated by him upon the floor of Congress while he was a member. Congressmen representing the steel trust were struggling for the protective tariff on steel. Johnson himself was then in the steel business and his company was a member of the steel trust. He, therefore, like the others, was getting a tariff "rake-off." Yet he vigorously opposed the tariff measure. One of the steel trust congressmen, twitting him in the debate

with his connection with the steel trust, implied that as he was getting part of the plunder he ought to support the law that secured it. "Gentlemen," retorted Johnson, "as a monopolist in the steel business I will take advantage of the bad laws you pass; but as a member of this house, I will not help you pass them, and I will try to get them repealed."

More in detail, and as a private citizen instead of a congressman, he made the same distinction at a public meeting in New York in 1891. A questioner in the audience asked him:

"You have just advocated the abolition of land monopoly, of the tariff monopolies, of the patent monopolies, and of the street railroad monopolies. Is it not a fact that you have been, and are now, a shining beneficiary of all these iniquities? And if you are, how do you reconcile your actions with your professions?"

To that searching question Johnson replied:

"I advocate now and have advocated the abolition of all these forms of monopoly, and yet I am and have been a beneficiary of them all. If there is any inconsistency in that it is not my fault. I preach what I sincerely believe to be the true and just social condition—the condition of equal rights, of real freedom. Yet I must live under such laws and usages as the majority of the people decree. They say that these monopolies shall exist; that bread-winning shall be a scramble; that there shall be many poor among us and comparatively few rich. I do not believe that this is right, and I am raising my voice wherever possible against it. But the people will not yet listen. They have different views from mine, and they hold to them. Now being compelled to live in this state of things where life is a scramble which the people will not stop, I am bound to do the best I can for myself. And so I rush in and grab all the monopolies I can get my hands on, firm in the purpose, however, to use the wealth so obtained to teach the people how misguided they are to permit themselves to be robbed in this way."

That purpose of using his fortune acquired by monopoly to break up monopoly has been faithfully adhered to. Not as an atonement, not as a means of satisfying his conscience for having got the fortune through monopoly. In no sense for personal reasons, but with the same motive that he gives to this work of his life what is incontestably all his own. . . .

One such man as Tom L. Johnson, who profits by monopoly and excuses monopolists, yet denounces the institution of monopoly and makes relentless war upon it, is worth more to the cause of civic justice than a host of men who rail at monopolists as wrong doers merely because they are monopolists, yet allow the institution of monopoly to go unchallenged, or challenge it without intelligence. The true principle of civic ethics is that which Johnson exemplifies. It does not consist in rejecting profits which unjust institutions yield to the favored or fortunate. So long as social adjustments are such that those profits cannot be relinquished to the persons who earn them, justice is served neither by giving them to others nor by rejecting them altogether. It is not affirmatively ethical to get rid of them; consequently it is not unethical to keep them. What ethics does demand is that the beneficiary of such profits shall awaken to the enormity of the social institution that diverts them from their unidentified producers, and in his capacity of citizen aid his fellow citizens of like enlightenment and moral impulse to bring that vicious institution to an end.

Without land, life as well as the creation of wealth would have no meaning.

GEORGE RAYMOND GEIGER, PH.D.

(*Continued from page* 5)

vision. But in recent years by various kinds of subterfuge, restrictions have been established between the states and large revenues collected from those who sought to conduct their business over state lines. For example there are 60 Ports of Entry at the borders of the state of Kansas. This is an innovation that should be resented by every liberty-loving American. If our democracy is to endure, these penalties must be abolished.

Our democracy is threatened more than by any other one thing by the existing system of taxation which favors land monopoly and landlordism for the benefit of a comparatively few at the expense of the whole people. This system has the effect of penalizing thrift and industry while rewarding monopoly. It involves the failure of government to collect its natural revenue from the rental value of land and to surrender this enormous wealth to those who happen to own particularly valuable locations at the centers of population, and those who hold title to rich natural resources. Repeal of this system of taxation and substitution for it of collection for the government of economic rent by a tax on land values would make vastly more perfect our existing democracy.

It may be said that eternal vigilance is the price of democracy. This vigilance has evidently been lacking in many halls of learning where state socialism has found favor and is being nurtured. It should be kept in mind at all times that these two forms of government are antipodal and can no more be combined than can oil and water. To speak of democratic socialism is like referring to frigid heat or warm ice.

Jefferson is to be credited with being the founder of American democracy, while Henry George may with equal justice be credited with being the perfector of that philosophy. Jeffersonian democracy has made a good name for itself while the philosophy of Henry George will be appreciated for its great benefit to mankind as soon as it has been given full opportunity to operate. What the great religious founders have been in the realm of religion, Henry George is destined to be in the realm of economic welfare.

The Profit Motive in Industry

By A. G. HUIE. *The problem which vexes our socialist friends so much is handled in masterly fashion in this letter to a Presbyterian clergyman in Sydney, Australia. The author is Secretary of The Henry George League of New South Wales, and editor of* The Standard, *the leading Georgist journal in the Antipodes. As speaker, teacher and writer in the cause of economic freedom, Mr. Huie has long held a position of outstanding prominence in his part of the world.*

★ I HAVE READ your interesting article in the *S. M. Herald* on "The Profit Motive in Industry." The title is one that appears to divert attention from real issues. Man seeks to secure his needs with as little effort as possible. To follow the line of least resistance is quite natural. The profit motive which animated the two men who received five and two talents in the parable is not wrong. The man who received one talent lacked a profit motive and got into trouble. Our extremes of wealth and poverty are due to other causes.

You do not indicate where the main advantages of mass production go. What is it that gives a few the power to resort to economic vandalism? The Luddites smashed machines because they feared that their use would take away their means of livelihood. No alternative way of earning a living was in sight. Machinery increases man's power to produce wealth. It can only promote unemployment if the sources of production are seriously restricted. If machines are to properly serve the people it is necessary, as you state, to make them our servants.

Now why are they not the servants of the people? That is a vital issue; blaming the profit motive will avail nothing. I have seen farming machinery developed in this country from the flail and the single furrow plow to the tractor and harvester. I have seen bad, boggy bush roads over which bullocks slowly toiled, altered to the great network of railways and good roads with motor cars and trucks. In many ways machinery has increased production power. And what is the result? Bread is dearer. And what applies to bread applies to other products of the land which the average family needs.

Where, then, have the advantages of modern progress gone? Into the land, greatly increasing its value for the few who own it. Now this monopoly of natural resources is becoming increasingly serious and our politicians have not the courage to face the issue. In fact they have greatly aggravated the position by giving special privileges to many secondary industries. In this way machinery aids them in production while their monopoly enables them to charge consumers more than their goods are worth.

Have you considered what occurred after the 1914-18 war? The Australian experience was before you arrived in Sydney. Let me briefly set it out. After the Armistice was signed in 1918, and the world struggled to resume peacetime pursuits, we had food and raw materials. There was a good demand and good prices for them. Governments continued to borrow largely for public works and soldier settlement. They spent £29½ million in resuming land for settlers. In about 12 years the losses were £23½ million. By 1939 more than half the returned men put upon the land had left it.

Now the effect of good prices for primary products, and lavish loan expenditure boomed up the value of the land. When prices for our exports fell it did not pay to work land acquired at inflated values. The depression was upon us. Land speculation invariably precedes a depression. Australia is a country with great natural resources and a very small population—too small to ensure our national safety. There is less excuse for unemployment here than in more densely populated countries.

You state "Christ did not ask of men words but deeds." But what sort of deeds? We are threatened with a referendum politically splitting the country in two, to amend the Constitution. Carry it and continue wartime restriction and planning and another depression, worse than the last, is inevitable. Consider what followed the Napoleonic wars,—the worst poverty in all British history, as shown by Professor Thorold Rogers in "Six Centuries of Work and Wages."

Conditions began to improve with the abolition of the Corn Laws and adoption of Free Trade. The Atlantic Charter, which if it means anything in post-war reconstruction, requires equal right of access on the part of all nations to the trade and raw materials of the world. Its authors have given the nations a lead. The Allied nations, including Australia, have endorsed it. Effect can be given to its principles with our present Constitution.

The reward for labour should be the full value of the wealth produced or the service performed. It is no use blaming capitalists, and denouncing uncurbed greed and cornering of goods while Parliament enacts laws which provide opportunities for such injustice. The essential thing is to take away the unjust special privileges which promote unjust conditions. You rightly point out that, "these abuses may be tackled successfully by legislation if there is a powerful enough public opinion against the brigand spirit." Just so, but how will the church assist in moulding public opinion?

You write about investigating "our banking system, our system of land tenure and our methods of industry." May I point out that all the necessary investigating was done long ago. Patrick Edward Dove, the Scottish economist, did it nearly 100 years ago. Henry

George and other writers have clearly shown that the chief benefits of progress and civilization have gone into the land for the benefit of the owners at the expense of the mass of the people. The loss of the community's natural revenue to the landowners has led to increasingly burdensome and unjust taxation.

We had a lengthy banking enquiry a few years ago. Where did it lead? or what benefit has it been to the people? We have had for many years an expensive Tariff Board investigating industry, chiefly secondary —a never-ending job that leads us further into the mire. We have had Arbitration Courts and kindred bodies for 40 years and there is more labour unrest than there was when the system started. What we do need is action by political leaders to restore to the people their natural rights in the land which have been filched from them.

A man of the type of Moses or Nehemiah is the need of our time. Years of investigation would lead nowhere. It might produce what Gladstone called a litter of reports. There is no more effective way of evading the responsibility for action than by appointing a Royal Commission, or a Committee of Inquiry. The Archbishop of Canterbury is more practical in his introduction to the report of a Committee appointed by a Conference of the Industrial Christian Fellowship in January, 1941.

I have not seen Archbishop Temple's views reported in the local daily press. I will quote briefly from his expressed views. He said, "occupying serviceable ownership is a prerequisite of any ethically sound land system." He continued:

> "Much of our trouble is due to ill-managed land; to the evils of mortgaging and to the existing rights of landlords; and it is undeniable that these last are excessive if social function is taken as the justifying correlative of possessive rights. In particular, the owner of the sites of cities has hardly any function that would not be as well or better performed by a public body, while he absorbs a great deal of wealth communally created; this is conspicuously true of those who own land on the outskirts of growing towns. These are tempted to hold up land needed for development in hope of a rise in price. Thus private interest is directly opposed and deliberately preferred to public welfare. That is morally wicked; but it is also so pernicious politically that it ought to be prevented. For some critics, it is not ownership which is objectionable but the power to collect economic rent, to evict, and to forbid the use of natural resources.
>
> "Both these classes of evil would be remedied in great measure by the levy of a tax on the value of sites (as distinct from the buildings erected upon them), whether used or unused, rural or urban. In this field the inversion of the natural order, which is characteristic of our modern life, is especially important. If house property is improved (a social service) the rates are raised and the improvement so far penalized; if it is allowed to deteriorate (an injury to society) the rateable value is reduced and the offending landlord is relieved. Taxation of the value of sites (as distinct from the buildings erected on them) would encourage the full utilization of the land."

Unless strong action is taken we will have a severe depression after this war. It is the usual experience. It was noted by Tiberius Gracchus over 2000 years ago. He said: "The private soldiers fight and die to advance the wealth and luxury of the great, and they are called masters of the world, while they have not a foot of ground in their possession." I submit that the remedy which we need is to put the responsibility for holding land upon the owner. Require him to pay the ground rent to the community, relieve industry of unjust taxes —all taxes are unjust. That will make it profitable to use land and unprofitable to hold it idle. It will provide what all men are entitled to—work and wages.

The saints who hold the affections of the world are men like Francis of Assisi who learned to love and help the lepers; men like William Booth of the Salvation Army, who could form a saintly circle of outcasts on any dingy street corner; or men like the late Sir Wilfred Grenfel, who could keep a warm heart and radiant smile among the fisherfolk of frozen Labrador. Henry George, the social worker and tax reformer, was once in conversation with Cardinal Manning of England. Said the Cardinal to Mr. George, "I came to love my fellowmen because I first loved Christ." Replied Mr. George, "I came to love Christ because I first loved my fellowmen." Love works both ways. We may start out like Cardinal Manning with a mystic adoration of our Lord and then learn that such love is meaningless unless it eventuates in love for our brothermen. Or we may set out like Henry George, the social reformer, to serve our fellows. . . ."

DR. RALPH W. SOCKMAN, Pastor
Christ Church, New York, in
the *Christian Herald.*

Henry George, *The Man*

Following are excerpts from a talk on the above subject delivered by JOHN Z. WHITE *on the occasion of the 103rd Henry George Birthday Celebration, which was held at the YMCA, 19 South La Salle Street, Chicago, September 2nd, last.*

Author, philosopher and leader of the Georgist Old Guard in America, John Z. White, a warm and trusted friend of Henry George, gives evidence in these remarks that today, at 88, he retains much of the effectiveness that for fifty years gave him outstanding prominence as an able and convincing expositor of Henry George's economic philosophy.

THE FREEMAN *is indebted to John Lawrence Monroe, Assistant Director of the Henry George School of Social Science in Chicago, for a transcript of the proceedings of the Chicago meeting, and to Mrs. Ann Levin for the stenotyping.*

✶ HENRY GEORGE was not above medium height but he was perfectly formed. Dr. Henrotin, who once gave him a physical examination here in Chicago, told him that his body was as good as his mind, but he added, "Mr. George, that is where you are in danger. Most everybody has a weak spot. In case of strain these weak spots enter a protest, and the patient eases up before his resistance is sapped. But you could go to pieces all at once. Beware of strain."

Well, that is about what happened. In his last campaign I went out with him every night—his wife along. We were making short speeches; he would speak first, and I would follow. One day he said to me, "White, I won't live to see the Single Tax, but you will."

George was a crusader. He was also a statesman. When I say "crusader," I mean he hoped for an uprising, a spiritual uprising, an enthusiasm that would take possession of men throughout the world. They would see the great truth that he had revealed. But he was a statesman also. He knew the difficulties in the way. He told them, "Rowing against the current is hard work, but gliding with the current we may go far and win much ground."

When there was actual work to do he was a dynamo, sparing neither himself nor those around him, utterly reckless of expenditure of energy. Get the work done! and woe betide anyone who stood in the way. Quick, active in commendation, but equally quick and severe in condemnation when necessary, a strict disciplinarian, a rounded man, he was complete in almost every way you could imagine. When I first met him, he looked robust and strong. When I saw him last, going out with him every night to meetings which we addressed, he was as frail as an old woman—worn.

I was with him when he said, "I am the friend of men." You know how that has been variously translated. We were in a big theatre in New York. I was speaking; he came in; I gave way. A great big fellow out in the middle of the pit came forward and called to the meeting, "Hurrah for Henry George, the workingman's friend!" And they nearly wrecked the building with their cheers. When finally they ceased, George stepped forward and said: "I do not know that I am particularly the friend of the workingman. I am the friend of men—all men—no one barred—the way is open to each and every individual."

After his funeral, we had a number of meetings in Greater New York—one large one in Brooklyn, at which Francis Adams was present.

Louis F. Post, long a loyal worker, was chairman. They called on me to talk, and I closed my remarks by quoting Robert Burns' epitaph to his father, written some fifty years before George was born. Robert Burns knew something about the land question, though he did not know the remedy. The epitaph which this Scotch boy wrote to his father, in my opinion, fits the person and character of Henry George absolutely. It reads:

"O Ye, whose cheek the tear of pity stains,
Draw near with pious rev'rence and attend!
Here lie the loving husband's dear remains,
The tender father and the gen'rous friend.

The pitying heart that felt for human woe,
The dauntless heart that feared no human pride,
The friend of man, to vice alone a foe;
For ev'n his failings leaned to virtue's side.

The friend of man, the friend of truth,
The friend of age, the guide of youth;
Few hearts like his with virtue warm,
Few heads with knowledge so informed.

If there is another world, he lives in bliss;
If there is none, he made the best of this."

Not only have land tenures an indefensible origin, but it is impossible to discover any mode by which land can become private property.

HERBERT SPENCER

More Ado About Canterbury

By JOHN C. WEAVER. *This contribution to the discussion concerning the Archbishop of Canterbury and the land question comes from the secretary of Pittsburgh's unique Hungry Club, where, it has truly been written, "For your hunger, you will share in the offerings of the most unusual open forum in America." Operating without a membership roll, without formal applications for membership, and without attendance records, this nationally known institution has for thirty-five years been giving to the business and professional men of Pittsburgh at its Monday noon meetings something distinctly different in intellectual fare.*

Mr. Weaver was first interested in the principles of Henry George by the Pittsburgh graded tax enthusiasts, speaking at the Hungry Club in 1920, and by reading THE FREEMAN *of those days when it was under the brilliant editorship of Albert Jay Nock. Later, he collaborated in a radio program called "The Center" with William N. McNair, Pittsburgh's famous Single Tax Mayor.*

✱ THE ARTICLE IN THE November FREEMAN entitled "Canterbury and the Profit Motive" was perhaps written in the assumption that readers would already have become familiar with the full statement by the Archbishop of Canterbury, printed in the *New York Times* of September 27, dealing with religion's responsibility to set forth social principles. While THE FREEMAN is not expected to record all events related to its field, it seems unfair that it did not give the complete text of the Archbishop's address so far as it related to land and taxation, considering the one-sided impression which would be gathered by anyone reading Mr. Potter's article. The following paragraphs are so significant to Georgists that I believe they will be worthy of space whenever they may appear.

> "There are four requisites for life which are provided by nature, even apart from man's labor: air, light, land and water. I suppose if it were possible to establish a property claim upon air somebody would have done it by now and would have made people pay if they wanted to breathe what he would then call his air. So too of light. But it has not been found possible to do this.
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> "Unhappily, it has been found possible in the case both of land and water, and we have tended to respect claims made by owners of land, and water flowing through or beneath it, in a way which subordinates the general interest to the private interest of those owners. *I am not persuaded that the right way to deal with this question is by nationalization of land,* but I am sure we need to assert the prior interest of the community respecting land and water with a vigor of which recent political history shows no trace.
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> "Here, supremely, the principle of the old Christian tradition holds good that the right of property is the right of administration or stewardship—never the right of exclusive use.
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> "The present treatment of land and the buildings placed on it strikes me as perfectly topsy-turvy. If a landlord neglects his property and it falls into a bad condition, which is an injury to society, the rates upon that property are reduced, while if he improves the property, and so does a service to society, his rates are increased. But if the rates were levied on the land itself, not on the buildings placed on it, there would always be an inducement to make the property as good as possible in order that the best return might be received from it.
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> . . . . . .
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> "You see I am going on the supposition that what we have to do is not to expect that men will guide their conduct always by the motive of service instead of self-interest, but rather to so organize life that self-interest prompts those actions which are of greatest social service."

While Georgists may very properly take exception to other abstract passages from the Archbishop's address, which seem to show a socialistic background, this last-quoted paragraph brings them into a different focus. It is also important to note that he limited his concrete applications of principles to only two specific matters: land—which is dealt with in the above language—and money or credit. The latter also he believes should be controlled in the public interest. This is a remarkable exercise of self-restraint and discrimination for a public figure such as Dr. Temple, who was known to be strongly inclined to social experiments during his earlier days before the appointment as Archbishop.

It always requires a little time for any utterance of this sort to become generally familiar to the wider circles of the public, depending almost entirely on whether the inner circles of interested persons take the trouble to give the statement further circulation. There are signs that the Archbishop's unusual emphasis is gradually beginning to penetrate American thinking. For example, in the daily religious column of Dr. Joseph Fort Newton of Philadelphia, syndicated in many pa-

pers, there appeared on November 24 a quotation of the first two of the paragraphs which appear above,—followed by some comments which are also worth reprinting here, because they remind us of the many types of misunderstanding and half-understanding through which truth must make its way:

> "No doubt he has reference to the ancient system of ground rents, whereby it is impossible, in many parts of England, to buy and own land—as on the estates of the Duke of Bedford, and others.
>
> "In our country we have little to help us understand this system—unless it be the ground-rents of the old Dutch churches in New York City. But what makes his statement notable is his concern for social justice and welfare. The present system, he says, is perfectly topsy-turvy.
>
> "In other words, if there is to be a new England, where there is liberty and opportunity for all, it must begin from the ground up."

I took Dr. Newton to task, in a letter written to the *Pittsburgh Press* where his column is carried, especially for quoting the Archbishop's phrase "topsy-turvy" without the paragraph in which it appears. If he had gone on to quote the vivid references to "rates" on improvements, neither he nor his readers could have failed to realize that the Archbishop's principles are as badly needed in America as they are in England. It is of course true that American "real-estate taxes" do take some of the "standing-and-breathing rent" which belongs to the community, as well as much of the building rent which ought to be left to the builders. England taxes building-income only, with no tax on locations, and this extreme absurdity is what has finally wakened Englishmen up—as well as their perpetual ground rents on certain properties. But Dr. Newton may do as much harm by implying that America has none of the evil under consideration as he does good by publicizing the Archbishop's remarks. So I concluded:

> "The universal evil of taxes on improvements is too close to his eyes. Of course, in his tax-ridden city of Philadelphia, he must have heard the undiscriminating clamor for 'lower taxes on real estate,' but he evidently does not know that there, as elsewhere, a huge source of revenue for relief of home and business owners could be found in the untaxed rent of downtown locations leased for commercial building, with frequent specification that all taxes must be paid by the builder or occupant. Even Pittsburgh's graded tax law does not touch this source, though indirectly it has an effect. That is a subject for more thorough presentation. The few who are interested grow extremely discouraged over the topsy-turvy confusion caused by lumping both buildings and locations as 'real estate'—in Pittsburgh, of all places—but undoubtedly they also are at fault for not having developed a more vigorous movement to correct the ancient blindness. With the Archbishop back of us, let's take a fresh start!"

Economics of Democracy

By F. MASON PADELFORD, M.D. *In this, the second installment of his article, Dr. Padelford, general medical practitioner of Fall River, Massachusetts, continues the compact and comprehensive summary of the Georgist philosophy which was begun in the December* FREEMAN.

In view of the fact that Political Economy, or Economics, has been taught for many years, as a science, in our leading colleges it would seem but reasonable to anticipate that among those who supposedly are qualified to speak with authority there will be unanimity of opinion both as to the cause, or causes, of our politico-industrial troubles, and the remedy, or remedies, therefor. But instead we find the widest disagreement; on every side is confusion. Every imaginable criticism is made, and all sorts of remedies are suggested. One group would have machinery operated at higher speeds, and labor-saving devices used, so that, in place of one unit of output for each five dollars of labor cost, two will be produced. Another group, equally well-intentioned, attributing our difficulties to "over-production," would reduce, by law if necessary, the length of the working day, and the speed with which machinery is operated. They would indeed discard some machinery, and return to hand labor.

If we increase machine speeds and adopt such labor-saving devices as are recommended we shall of course reduce the unit labor cost of production. But if, under present-day methods of manufacture, we are producing an unsellable surplus of goods, what possibly can be gained by doubling output, even though the selling prices of products are reduced fifty per cent? Sales may be twice as great, but as production will have been doubled also, there will still exist that troubling surplus.

If the working day is shortened, or if the speed of machinery is reduced, the worker will lose, even though his money wages are not reduced. Shortening the working day, or reducing the speed of machinery, reduces the per man output of the manufacturing plant. If money wages are correspondingly reduced the prices of products need not be changed. The worker will receive less, and therefore have less to spend. If money wages remain as before the labor cost, per unit of output, will necessarily

be greater. This must lead to an increase in the selling prices of products. As this automatically reduces the purchasing power of the dollar, it reduces real wages.

That the needy must be cared for is obvious. Almsgiving must at times be resorted to. Shortening, arbitrarily, the working day or week in order that employment may be given to greater numbers is but almsgiving under another name. Practically it is a pseudo-charitable scheme which provides, not that Peter shall be robbed to pay Paul, but that Paul shall be robbed to pay an even poorer Paul. It involves no increase in the production of wealth, and no increase in the aggregate purchasing power of the consuming public. It brings national purchasing power no nearer to the producing power level.

Men work, primarily, not for money, but for things. That exchanges of things may be facilitated, money is used. Money is not wealth; it is but a representative of wealth. It is defined as *a medium of exchange, and a common measure of value.*

As wealth production increases, and as real wages increase, it is but natural that fewer hours will be devoted to productive labor. But increase of leisure will be a result of better economic conditions, not the cause.

Civilization brings new privileges, and new powers; and it brings also new responsibilities. Increasingly, if civilization endures, machinery will be used. The machine will lighten men's toil, increase wealth, and bring increased leisure if, and only if, its products are equitably distributed. If they are not equitably distributed, complicated and expensive machines can but become so many instruments of oppression.

Every worker is entitled to wages which are the equivalent of the whole product of his labor. This is the moral law. If, in distributing labor goods, we violate this law sooner or later a privileged few will own the machinery and control the political State, and an impoverished many will constitute the subject class in a politico-industrial oligarchy.

A despotic government, by estimating needs, and by regulating production, regulating wages, regulating costs of transportation, and regulating commodity prices, may maintain equilibrium of production and consumption. But under this regime the individual has little choice as to occupation, income, or dwelling place. This is economic slavery. For centuries men have struggled for industrial and political liberty. Until this goal is attained there can be no lasting peace.

Those who urge that the working day be shortened lose sight of the fact that "leisure hours" may well be devoted to productive labor. Shortening by law the working day or week may not result in any lessening of production unless "leisure-time" activities also are brought under governmental control. Tyranny, to be successful, must be complete.

Minimum wage laws probably will benefit but little those who are unperpaid. They are quite as likely to have the opposite effect: To deprive of employment, and then of any wages at all, those who, physically or otherwise, are handicapped. The employer who is compelled by law to make any considerable advance in wages must either charge more for the output of his factory, or discharge the least efficient of his employees. Competition will compel him, in many instances, to do the latter.

The fair exchange of commodities is possible only if relative values are known. These can be determined only in a competitive market. Competition is socially creative where industry and commerce are free; it is socially destructive when limited in its application, and a weapon of monopoly. It has rightly been termed "God's law of cooperation in a selfish world."

Economies in distribution, involving a reduction in the number of jobbers and retail dealers, and in the number of persons employed in selling goods, will no doubt make somewhat greater the purchasing power of the consumer's dollar. But where competition has free play no middlemen, or agents, except those who render necessary and economical services, can long survive.

The government, during periods of industrial depression, may undertake, by engaging in the construction of highways, canals, bridges, and public buildings, to provide work for the unemployed. But let us remember that this labor must be paid for, and that the government's only legitimate source of revenue is taxation. While those who find employment, under such conditions, will have more to spend, those who ultimately pay the bills will have less. The few will be helped; the already over-taxed many will be hurt. Nor will anything be gained, in market capacity, if by subsidizing agriculture, the purchasing power of farmers is increased. What the farmer gains the city worker will lose.

It is argued that surveys as to probable future demands should be made. Possibly so! But such surveys are, and must be, uncertain. In the case of foodstuffs, perhaps, some worthwhile information may be obtained. But as long as there are in the world multitudes of people who are starving, or near to it, it is absurd—even a crime—to contend that food is being produced in too great quantities.

Those who observe at all closely will have some difficulty in convincing themselves that there is any overproduction of either clothing or footwear. In few homes indeed are the furnishings, either in character or quantity, all that the family might reasonably wish for.

As a matter of fact we know very little about potential demands. People's wants seemingly are insatiable. When incomes become such as to permit the rank and file to satisfy their reasonable requirements, we may witness a demand for merchandise of all kinds far beyond anything that we can now anticipate.

We shall do well if we postpone our official surveys until such time as the greatest possible increase in real wages has been made.

It may be contended that manufacturers and merchants are not paying in wages all that they can. To avoid argument we concede that this may be true. We insist, nevertheless, that employers, acting as such, are powerless; that they are not in a position to materially increase real wages. When they have reached the abso-

lute limit in this direction, other factors remaining the same, there will still exist so wide a gap between our producing power and our purchasing power that, periodically, and with a frequency which varies as this gap widens or grows less, we shall be confronted with unemployment and poverty, and all that these entail.

Old-age pensions, unemployment insurance, shorter hours of labor, reduced machinery speeds, efficiency methods of production and distribution, minimum wage laws, bestowals of subsidies, and attempts by governments to provide work for the unemployed, are palliatives, and this only. While collectively, they may suffice, for a time, to keep going institutions which already are tottering on the brink of disaster, they can afford no permanent relief. To regard them as curative remedies for our economic ills is folly.

Three factors are involved in the production of wealth. These are Labor, Land, and Capital. The returns going to Labor are Wages; those going to Land are Rent; and those to Capital, Interest.

Where the distribution of wealth is in accordance with justice, *Products* will equal *Wages* plus *Rent* plus *Interest*. Therefore *Wages* will equal *Products* minus *Rent* minus *Interest*. This seems simple enough and easy of attainment. The complicating factor is the matter of Taxation: Where is public revenue to be obtained?

Adam Smith's canon that "The subjects of every state ought to contribute toward the support of government as nearly as possible in proportion to their respective abilities," has gained general acceptance, and a futile effort is made—or a pretence is made—to apportion taxes in accordance with it.

Wealth used in the production of more wealth is Capital. Most of what is known as "taxable wealth" is Capital. A tax on a merchant's store and stock in trade will finally be paid by his customers. A tax on rented property will be paid by tenants. A tax on gasoline, collected from users of motor vehicles, and spent in highway construction, will bring about an increase in the price of land in the territory which is served. The owners of land will be the chief beneficiaries. The public, in the end, will pay twice—once to the government, once to landowners.

An excise tax is a consumer's tax. Of an import tax and a sales tax, the same is true. A tax on earned incomes is direct. On investment incomes it may be indirect, and then but another burden on industry.

The cost of *paying* income taxes is not a matter of public record. To compile the detailed reports which the government demands, bookkeepers and experts must be employed. The wages and fees of these, in the aggregate, must be many millions of dollars each year. This is added to costs of production and finally is collected from consumers of manufactured goods.

An earned income is an index of the value of the services which the individual has rendered, directly or indirectly, to society. For rendering such services the individual should not be fined. A tax on income, or upon wealth or capital which, it must be assumed, is but accumulated savings from income legally obtained is, in effect, a penalty imposed for doing useful and necessary work. The greater the value of the work the greater the penalty. Only by specious pleading can this be defended.

Because improvements are taxed, antiquated and poorly constructed buildings, too often fire-traps, will be kept in use as long as tenants can be found; hence the slums. When buildings no longer are taxed slums will disappear.

As a general truth it may be stated that all taxes which are levied upon products of labor come finally to rest on the shoulders of consumers. The worker whose income is small, and whose family is large, will be the most grievously burdened.

The "ability to pay" theory, under any system of indirect taxation, manifestly, is unworkable. The owner of any capital-property which may be taxed will recover from those with whom he does business a sum equal to the tax, plus a profit. Every merchant through whose hands the goods pass will do the same thing. The final purchaser, the consumer, will bear the entire accumulated burden.

Currently produced wealth should be divided between those who work, those who own Capital, and the group which has a rightful title to Rent. Under a system of indirect taxation, and a non-ethical system of land ownership, a condition has developed wherein working people, as consumers, are required to pay, not only practically all the taxes, but also, either directly, or in enhanced commodity prices, speculative rents and speculative prices for land. Wages which should equal *Products* minus *Rent* minus *Interest*, now equal *Products* minus *Rent* minus *Interest* minus *Taxes* minus *Speculative Rent*. The poverty of the working masses is here accounted for.

We must have government. The government must be supported. The town-meeting, once adequate, has been outgrown. We now delegate to representatives our rights and powers. No assembly of representatives should be allowed to exercise any rights or powers except those which are delegated to it. No individual can delegate rights or powers which he does not himself possess. The right to take from any individual, without that individual's consent, any product of his labor, no person possesses. Therefore no person can delegate such power. Necessarily then, that government, in a democracy, which takes from individuals, by taxation, what their labor has produced or purchased, exceeds its rightful authority—is guilty of usurpation.

In a monarchical, or an aristocratic, State there exist a ruling person, or class, and a subject people whose natural rights are denied. The coming of democracy marks the acceptance of the principle that men have rights which are antecedent to, and independent of, any government. In so far as the government, in a democracy, exercises powers which are not delegated to it, and which the electorate are not competent to delegate, despotism exists. Taxation, as now practised, is a relic of despotic governments. In a democracy it has no place; it should not be endured.

(To be continued next month)

What Are We Fighting For?

In which NATHAN ROBINSON, *New York attorney, graduate of Yale Law School, and active Georgist poses a question, supplies the answer, envisions the future—and calls for faith, courage and understanding for the monumental task that lies ahead.*

✶ IN THE cataclysmic conflict now raging and engulfing the earth, our first task is crystal clear—*to win this war!* A complete smashing victory by the United Nations is our primary objective. Once and for all time the savage, withering blight of Nazism and all it stands for must be crushed to earth, never to rise again.

With God's help, we must and we shall win this war. Victory is vitally essential for the very preservation of the edifice we call civilization. Defeat would mean slavery and death, a world in darkness and despair.

But—lest we forget—the peace, too, must be won; and that is an infinitely more difficult task. Just as victory in war demands its staggering price—in blood and sacrifice, in sorrow and travail—so, too, the victory of peace demands its price. The world has never known real peace. The history of the world has been, at best, one of continuous warfare, interrupted by brief periods of truce. The reason for this is clear. Men have, until now, strangely found it easier to pay the heavy penalties of war than to meet the mild conditions imposed by the Lord before He grants us His supreme gift of peace. Men have, until now, strangely found it easier to remain on a level little higher than that of the beasts of the forest than to strive for the Fatherhood of God and the brotherhood of man. To wage war requires little, if any, spiritual, moral or intellectual power. Brute strength is the primary factor in combat. Our modern armaments are nothing but the scientific strengthening, extension and multiplication of our strong right arm. Superiority in strength, whether of claw or fist, rifle or bomber, almost invariably determines the final outcome of battle. Every dumb beast knows that!

But what the beast does not know, and what man has apparently not yet fully learned, is how to fight for peace. The weapons of peace are not the weapons of war; they are as different as day from night. The weapons of peace have been known at least two thousand years—known, but not used; known, but not wielded.

Make no mistake about it, however; one lesson mankind *must* learn if it is ever to win everlasting peace: that unless we forge the weapons and learn the principles of peace, unless they become part of us, unless they are woven into the warp and woof of our daily lives, peace, decency and civilization itself will remain but a mirage.

What, then, are these fundamental principles? In addition to the decalogue, simply the golden rule: "Love thy neighbor as thyself;" "Do unto others as you would have others do unto you." Basic? Elementary? Simple? So simple, alas, that, except for those few noble souls in history known as idealists—like Jesus, Lincoln and Florence Nightingale—mankind has ignored them. But these ideals are the very things we must now be fighting for. We must preserve them at all costs; not merely with words; not with hypocritical lip-service; but with all our heart and soul. For if we merely win the war but sacrifice these principles, the war had as well be lost; for we will have won a pyrrhic victory, but lost the peace.

We can, then, and we must secure the future peace of the world by taking the following steps, which are but the necessary and practical applications of those principles or ideals:

We must preserve and enlarge the scope of the idea now so ingeniously embodied in the term "United Nations." Too much credit cannot be given President Franklin D. Roosevelt for coining and enriching the meaning of that phrase. Too much stress cannot be placed on the obvious fact that the world today is smaller, much smaller, than it was one thousand, one hundred, or even ten short years ago. And it is rapidly becoming smaller still. Due to the incredibly profound changes that have taken place in recent history—changes of all kinds, scientific, economic, political, cultural and spiritual—the entire world today is smaller, relatively speaking, than was the United States of America at the time of its birth, a little more than one hundred and fifty years ago. The significance of this fact is overwhelming. We cannot go back. No nation, no matter how powerful, just as no individual, can any longer live alone. Each nation, just as each individual, depends upon the others. Nations, like individuals, cannot live with one another without trust and co-operation. And nations, like individuals, cannot live together in anarchy. In order to live together amicably and decently, nations, like individuals, and like our own original thirteen sovereign states when they became a nation, must yield certain rights and prerogatives for the common good. One of these rights, in the case of the individual, is the right to settle his own grievances in his own way. This right civilized man has yielded for the greater right of equal justice for all men; he can no longer "take the law into his own hands." So, in the case of our original thirteen states, for the greater security and welfare of all, each state sacrificed, among other rights, its most sovereign power to maintain its own army and to declare war. So now, after we have won this war, each of the United Nations, and such other nations as may join, must do likewise. Gone, let us hope, forever, is the day when any nation or group of nations shall be in a position to threaten the peace of any other nation. All military power must be vested in

Land Values in New York City

The social nature of land values in a great city are strikingly shown in the article which follows. The author, HARRY GUNNISON BROWN, *has been professor of economics at the University of Missouri since 1917, though his first teaching assignment in economics was at Yale in 1909. Professor Brown has been a frequent contributor to the* Yale Review, *the* Quarterly Journal of Economics, *the* American Economic Review, *the* Journal of Political Economy, *the* Annals of the American Academy, *the* Securities Review, *the* Journal of Land and Public Utility Economics, *the* Public Utilities Fortnightly, *the* American Journal of Economics and Sociology, Land and Freedom, *and, as our readers know,* THE FREEMAN.

Among his books are Principles of Commerce, Economic Science and the Common Welfare, The Economics of Taxation, The Economic Basis of Tax Reform, and Significant Paragraphs from Progress and Poverty, with an introduction by Professor John Dewey.

✶ NEW YORK is situated on a great natural harbor. If there were none to use it except a few pioneer farmers on Manhattan Island trading some of their surplus produce for the textiles and other goods of Europe, landing space for a very few boats or perhaps for a single one would be all that would be needed.

But as the rich interior of the North American continent was settled, with its mines of iron ore, copper and coal, its prairie and river-bottom wheat and corn lands, and its other resources, more and more goods were produced to be poured through the port of New York into foreign countries, and more and more foreign goods were wanted in exchange which could most advantageously pass through the same port. Today there is needed in New York City a large population to meet the requirements of this great *Hinterland* (as the Germans would say) or tributary country.

If all the present working population of New York City were whisked away over night, the land of New York would still have great value because of the need for millions of men and women on it to serve the commerce of the back country. A new population would move in and take up the important work for the rest of us which can be done nowhere else so well; and those who own that part of the earth's surface would be in position to make this new population pay handsomely for the privilege of working for us and of living where we need to have them live in order that this work may be effectively done. The demand of the tributary country for this service makes a demand for the use of the land by the people who must live and work there to render the service. Incidentally, too, it makes a tremendous demand —and correspondingly high rents and values for the use of especially well-situated lots for the location of department stores, lunch rooms, banks, lawyers' offices, etc., necessary to supply near-at-hand the requirements of those who live there to serve the non-seacoast sections.

Surely, the rent of land is in a very peculiar sense socially produced rather than individually earned, and ought to be sharply distinguished in thought from interest on capital produced by individuals.

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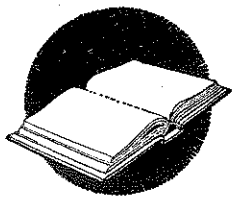
a sovereign federation or union of all nations, like our own United States of America, lest any one of them be able to menace the security of any other.

Likewise, all trade barriers and restrictions must be removed. Goods must flow freely between nation and nation. The natural wealth and resources of each must be equally available to all. Not until the earth and all the riches, beauty and abundance thereof are available to all men everywhere, to enjoy in peace, in freedom and in equality; not until the blessings thereof are, not the accidental fortune of a favored few, but the universal heritage of all mankind, will we have *peace on earth, good will to men!*

Respectable and Pious Gamblers

Lest, however, we seem to strain at gnats and swallow camels, let us concede the fact that very many of the fortunes of respectable and pious people are really the fruit of some kind of gambling. For example, the Astors are professional gamblers. Their specialty is real estate. They bet that the price of land on Manhattan Island is going up. They hold all they have and buy all they can. They are as sure to win as the Metropolis is to grow. And as the city grows, their rake-off will be an ever increasing sum. Moreover the citizen of New York must play the Astor game. The law of the land compels him to. Unless he belongs to the ten per cent who divide with the Astors the ownership of that Island, he must play the game as a perpetual loser.—REV. HERBERT BIGELOW, in "The Single Tax Review" of January 15, 1905.



The BOOK TRAIL

THE FAILURE OF INTERNATIONAL LAW

"A Quest for International Order," by Jackson H. Ralston. John Byrne & Co., Washington, D. C. 1941. 205 pp. $2.

The records of nations, in their foreign relations, are more insanely criminal than those of the lowest domestic mad-dog gangster.

Jackson H. Ralston, an international lawyer suffcient-ly important to have served as Umpire of boards of arbitration between sovereign nations, tells us why the scrupulous observance of the code of States does not prevent wars.

International Law is as far removed from real law, as the rules of a game of parchesi. Real law is based on the fact that there is such a thing as right and wrong in human relations, and that wrong doing has inevitable consequences to the individual and his community. The individual is the unit of real law but the State, is the unit of International Law—the State, as separate from the human beings of which it is composed, superior to them and possessed of fictitious qualities of sovereignty, independence and equality. If international morality is to improve, says "A Quest for International Order," the welfare of the individual must be made the goal of International Law.

With his new basis for real international law,—justice —Judge Ralston quickly reaches the question of poverty and its cause. He does not, however, attempt to deal with that basic problem. "To the reader who desires to go to the bottom of things," he recommends first and foremost, Henry George's "Progress and Poverty." The framework of valid international rights is the author's concern in "A Quest for International Order."

Before man can have justice, he must want it. How much does the individual citizen want world justice? One reason our international morality has not improved since the days of predatory Kings is that individuals abandon their personal standards of self-respect when they begin to consider their international interests. We Americans still quote approvingly, "Walk softly and carry a big stick" and "My country, right or wrong." We must refuse, Judge Ralston tells us, to commit any act as an American which we would shrink from as a man.

The chapter on "Sovereignty, Independence and Equality" shows how these concepts of International Law prevent attainment of justice among governments. Are the desires of a "sovereign and equal" nation of a million population deserving of the consideration merited by one of a hundred million?

Under the heading "War," the author, after examining the causes of conflict, makes the novel comment that peace based on justice need not be enforced but exists automatically, as it does between the States of the United States.

In successive chapters, the importance of international good manners, and of the sharing of natural resources by nations through free trade and immigration are emphasized. The evils of intervention by one nation in the internal affairs of another, and the baselessness of the claim to extend national jurisdiction into foreign territory are illustrations. The validity of "National Interests" is proverbial and the statement is made that usually the word *private* should be substituted for *national.*

Regarding the rights of small nations, the author denies that they include, according to real International Law, the right to raise tariff barriers or to present obstacles of any kind to the international movement of goods. Recognition of this limitation of the right of self-determination would have preserved the independence of Czecho-Slovakia, Austria, Poland, the Baltic countries. Judge Ralston's eight-page chapter on "Versailles and Free Trade" told this reviewer more about the reasons behind the events in Europe since 1918 than I have found in all the rest of my reading on the subject.

Other topics expertly examined, first from the viewpoint of present International Law and then on the basis of real law, are Imperialism, Courts and Possible Developments of International Relations.

Some few of the hundreds of books we read in a life time are like keys—keys which open our minds to ourselves. On second reading I place "A Quest for International Order" in that category.

—James W. Le Baron

OLD TESTAMENT SECULARIZED

"The Bible Is Human," by Louis Wallis. Columbia University Press, New York, 1942. 303 pp. $2.50.

For several generations now the Bible has been subjected to what used to be called the "higher criticism," but what is now called "secularization." Mystery and miracle, which naturally conflict with physical science, have been the chief targets of the scientific sharpshooters. But the secularizers are at pains to stress the fact that they are not undermining the Bible as a book of religious inspiration. It may not be necessary to believe in the exploits of Samson literally as reported, or in a literal twelveness for the tribes of Israel. Still there is much left to believe when the alleged myths have been subtracted, but it forms a very different fact-pattern from the earlier one.

Louis Wallis, author of *By the Waters of Babylon* and other books, has in *The Bible Is Human* carried the process of secularization of the Old Testament to a far degree. He professes entire disbelief in a literal interpretation; and from the materials at hand he reconstructs what he feels must have been the actual course

NEWS *of the* Crusade *for* Economic Enlightenment

Dr. Aiken Isn't Having Any

NEW YORK—Dr. Janet Rankin Aiken, frequent contributor to THE FREEMAN, and a rugged individualist if there ever was one, voices her opinion of rationing in no uncertain terms in a letter to a cooperative organization of which she had been a member. The letter, which has been released to the press, is addressed to The Morningside Cooperatives, 1260 Amsterdam Avenue, New York, and reads as follows:

This letter is notice that I am resigning my membership in the Morningside Cooperative as a protest against the prorationing stand of its organ, *The Cooperator*, in the issue dated December 14.

According to what I take as reliable figures the sugar and coffee "shortages" are not real. They are manipulated devices, in my opinion, with the end of forcing a lasting plan of economic scarcity on the American people. Certainly the rationing of sugar has been a farce to all except those housewives wishing to perform economic service by canning and preserving fruits. The main result of this sugar rationing has been the creation of a sense of self-importance in many of those who have thus been able to attain petty authority over the private economics of their neighbors. The loss to the country through sugar rationing has been enormous in wasted paper, salaries, money, time, and patience.

It is wholly contrary to freedom and the American idea, in war or peace, to set up a system by which citizens must ask permission of their neighbors for the most elementary and fundamental of economic freedoms—the right to produce and exchange goods. It is a step toward precisely the petty oppressions and local tyrannies which have long burdened the peoples of Europe.

Even if rationing would meet present conditions of shortage I would still oppose it as a violation of fundamental freedom. But to institute it merely on the basis of a vague fear of the possibility of shortage is fantastic. I cannot support an organization which lends its voice and influence to this totally unjustified regimentation.

Yours very truly,

DR. JANET RANKIN AIKEN

Scholastic Honors

NEW YORK—Paula Zweier, 16, "baby" of the Henry George School and student in the advanced courses, has just completed her midterm senior class examinations in High School with highest honors in a class of forty. In the class in English Composition, the students were asked to write two hundred words on "What They Thought the Future Held for Any One Member of the Class." Thirty picked Paula as the subject of their essays. Comment ran along these lines: "—will become a lecturer in Georgism—will go to college and major in economics and then become a teacher and public speaker—will be a Georgist lecturer—will become a great Georgist writer."

In her own paper in the Economics class on "What the Future Holds for Me," Paula rather confirmed the prognostications of her fellow students by saying that she planned to go to college, major in economics and become a teacher in that subject. She made it very clear to her High School teacher, however, that she did not intend to teach the rubbish that had been handed out to her in High School under the guise of economics.

New Jersey Tea Party

NEWARK—An invitation to New York Georgists to attend a forthcoming social event at the Henry George School, this city, has been extended by school officials in the following terms:

"Kew in lilac time is close enough to London to make visiting feasible, as you will recall. And Newark is likewise close to New York. On January 16th, then, when a group of the Newark social scientists hold the first of a series of teas in the office of the Henry George School of Social Science at 1 Clinton Street, perhaps a number of New Yorkers will be able to join them. These teas are to be for the benefit of the advertising fund, admission is thirty-five cents, and all Georgists who happen to be in the locality are cordially invited to attend."

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of events in early Palestine. His interest appears to be primarily economic and social, less apparently theological.

And still he claims for his secularized version of the Old Testament stories much of the inspiration for which the Bible has ever stood. According to his explanations, it embodies tribal practices far in advance of those around it, even of ours today. Still may we look backwards for guidance—always assuming that we read the record aright.

Among the economic aspects of ancient Israel which Mr. Wallis reconstructs, he stresses the system of land tenure, which in his opinion was fundamental to "mishpat," or righteousness, the ideal of every right-thinking Hebrew. "Mishpat" in land seems to have involved inalienable titles, so that land might not be sold or conveyed outside the family of the traditional owner. Modern practice in some states concerning burying-plots (though Mr. Wallis does not say this) reflects somewhat the same plan.

The account in I Kings 21 of Naboth and his vineyard, which he refused to sell to Ahab, invoking this traditional rule of inalienable ownership, is made much of in Mr. Wallis' book. The author seems to approve of the tradition as preventing the evils of land speculation and the concentration of land ownership. While this system was never absolute among the Hebrews, the book gives evidence that it did stand as a practical ideal and was made an actuality to some extent, especially before the Hebrews became city-dwellers. Under urban conditions, however, it tended to yield to the "baalistic" plan which we know as modern—free sale of land, with no limit set upon ground rent and taxes.

How much one profits from *The Bible Is Human* will depend in part upon one's hospitality to the secularizing attitude. To the present reviewer the Bible is not to be viewed as a record of events without losing its central meaning and message. It does not matter whether Samson, Moses, or even Jesus did any one of the acts ascribed to him in the record, so long as the ideas expressed are true and provable today as of old. *The Bible Is Human* will stand therefore to this reader as an interesting irrelevancy.

—JANET RANKIN AIKEN

Telling It to Mr. Cliff

LIMA, OHIO—Verlin D. Gordon, alert young Georgist of this city, is becoming increasingly successful in his "Letters-to-the-Editor" campaign. A letter on the tariff, which appeared a few weeks ago in the *Wall Street Journal*, where a number of his communications have been published, evoked a response from William H. Cliff, Secretary of the American Tariff League.

Mr. Cliff's letter and Mr. Gordon's rejoinder follow:

Editor, *The Wall Street Journal:*

Verlin D. Gordon states in his letter, which appeared in your issue of November 30, that "a person who makes shoes by hand cannot compete with those who make them by machinery."

On the one hand, there is no logical reason to dispute that statement. On the other, will Verlin D. Gordon deny that shoes were made in Czechoslovakia by Czech labor using American machinery cheaper than comparable shoes could be produced in the United States by American wage earners using American machinery?

WILLIAM H. CLIFF, *Secretary,*
New York The American Tariff League

Editor, *The Wall Street Journal:*

The protectionist fails to realize that a flow of cheaper commodities into this Nation would not affect either wages or the return to capital. The laborer's wage is neither raised nor lowered by the price of manufactured goods. It is only the supply of laborers, themselves, which influences wages. And tariffs, in reality, skyrocket land values, depriving the investor of any additional revenue which a rise in commodity prices might bring him, compelling him to pay more for materials.

Answering Mr. William H. Cliff in the December 4th issue: If the Czechs can make shoes cheaper than we, why not let them make them? Nations, like individuals, would specialize if trade barriers were removed. If tariffs are right between nations, then it follows that families must set up restrictions to prevent exchanges with other families. I must make my own chairs, and the hammer and nails to construct the same. My next door neighbor may be willing to do this work, if I will but concentrate on some other phase of production; however, I must protect my labor. I shall never be unemployed in the sense of being unoccupied, although I will now be so busy trying to do everything that all time for self-improvement will be crowded out, and spiritual and cultural retrogression will be the result.

The protectionist also fears the "dumping" of manufactured products upon our shores by other nations, to compete with our wares. But since when have goods been dumped into a nation without an existing demand for them? Trade is always to the benefit of both parties, therefore exchange would take place, and any inflow of goods would inevitably be followed by an outflow.

Lima, Ohio VERLIN D. GORDON

Speakers Bureau Reports

NEW YORK—Miss Dorothy Sara, Secretary of the Speakers Bureau, reports the following schedule as having been completed in late November and December:

Nov. 30—C. O. Steele at Women's Political Forum, Bronx

Nov. 30—C. O. Steele at Speakers Forum, Parkside Hotel, New York

Dec. 1—C. O. Steele at Kiwanis Club, Ridgewood, L. I.

Dec. 4—A. P. Christianson at Jewish Center of Wakefield & Edenwald, Bronx

Dec. 11—C. O. Steele at Commencement Dinner of the Henry George School New Jersey Extension in Newark, N. J.

Dec. 16—Henry A. Lowenberg at Fort Tryon Jewish Center, N. Y. C.

Dec. 17—A. P. Christianson at Forest Hills Bridge Club, Long Island

Dec. 23—John E. Fasano at Y. M. and Y. W. H. A. of Williamsburg, Brooklyn, N. Y.

Talks thus far scheduled for future dates are are follows:

Jan. 10—Ezra Cohen at Shearith Israel League, of Spanish & Portuguese Synagogue, N. Y. C.

Feb. 2—Margaret E. Bateman at Woman's Club of Great Kills, Staten Island, N. Y.

Chicago Graduates 200

CHICAGO—Director Henry L. T. Tideman of the Henry George School of Social Science awarded diplomas to approximately 200 students who had completed the course in fundamental economics at the fall term graduation exercises held in the Mirror Room of the Hamilton Hotel Friday evening, December 11. The graduates came from thirty-four classes scattered throughout the Chicago area.

The address of welcome to students and friends of the school was made by Hiram B. Loomis, president of the school board of trustees and retired principle of Hyde Park High School. Three representative graduates spoke briefly.

The main address of the evening was delivered by the well-known Chicago clergyman, Dr. Preston Bradley, pastor of the Peoples Church of Chicago, who said that he had drawn many a sermon from *Progress and Poverty*. Dr. Bradley has been a staunch friend of the Chicago school since its inception.

Walter J. Tefo, past commander of Constitution Post of the American Legion, accepted an American flag on behalf of the school, the gift of Edward M. Lewis, 1940 graduate.

Bumps for Gants

NEW YORK—Albert M. Gants, former Publicity Director of the Henry George School, who was inducted into the Army some eight months ago, has completed the course in officers training and been awarded a commission as second lieutenant in the tank corps.

"Activity Bulletin" Arouses Interest

NEW YORK—The Henry George School of Social Science reports an encouraging response from the mailing of the school's first "Activity Bulletin." Miss Margaret E. Bateman says, "The many letters received are inspiring. They indicate a desire to cooperate and a determination to see that the work of the school shall continue. The annual sustaining fund, as now begun, will assure expansion of the educational program to every part of this country and indeed to the whole world, provided, of course, that each one of us takes his responsibility seriously, as I am sure we do."

Nebraska Graduation

OMAHA—Classes in fundamental economics conducted by the Nebraska Division of *We, the Citizens,* using Progress and Poverty as a text book, will hold their graduation dinner and commencement exercises in January.

They All Miss Alma

NEW YORK—Since Miss Alma Christianson, Assistant Registrar of the Henry George School of Social Science until her marriage in November to Warren A. Beman, young chemist engaged in an important branch of war work, has departed to embark upon the grand adventure of making a new home, the school isn't quite the same. The work of the school, of course, is going on—that can't be allowed to halt under any circumstances—but Alma has gone elsewhere, and she is missed. Missed not only by the members of the school staff and the regulars around the school, but, if the evidence is to be believed, by more than a few youthful swains who, it would now appear, came not so much to study Henry George as to —well, you were young once yourself; you'll know how it is.

Innovation Sale

CHICAGO—Something new in the way of Christmas sales was staged at school headquarters, 111 West Jackson Boulevard, all day and evening of December 12, when a wide variety of gifts were offered to the public at attractive prices. The stock included deletectable homemade preserves, candies and cakes; handmade aprons, towels and toys; numerous late books such as Hendrik Van Loon's Story of America, Gösta Larsson's Revolt in Arcadia and Francis Neilson's new novel, The Garden of Doctor Persuasion. Cider and doughnuts, and games, provided a social touch to the occasion. In charge of the various booths were: Antiques, Mrs. C. O. Watson; Fancy Goods, Mrs. Otto Siebenmann; Books, Mrs. Anna Buenemann; Food, Miss Ruth Goldthorpe; Novelties and Art Goods, Mrs. Carl V. Baldwin; Games, Miss Leona Fairchild and Mrs. John Lawrence Monroe.

Faculty Meeting

NEW YORK—James W. Le Baron presided at the December 3rd meeting of the faculty of the Henry George School of Social Science in New York. The topic of the evening was the work of Sidney Armor Reeve, professor of engineering. Though the statement was made that Reeve was a deep student of the teachings of Henry George and that his conclusions were based to a considerable extent on the George philosophy, many of those present found little in the material presented to justify that claim. Speakers leading the discussion were Irving M. Kass and Miss Charlotte H. Crawford.

The topic of the January meeting—exact date to be announced—will be the Georgist View on the Conservation of Natural Resources. A. P. Christianson, faculty member will lead the discussion.

Pamphlets from Down Under

NEW YORK—The principal papers read at the 1942 Conference of the New South Wales School of Social Science have been published in pamphlet form, and a complete set has just been received from Sydney by the Henry George School in New York. Titles and authors are as follows:

Socialism, by J. Brandon

A New Social Order and How to Attain It, by E. J. Craigie

Money, by the Rev. E. H. Shaw

Social and Anti-Social Forces within the British Empire, by C. R. Swan

The Vital Importance of the Economic Laws of Distribution to National and Local Government, by L. Boorman

The Valuation of Land, by M. D. Herps, A. C. I. V.

The Moral and Religious Appeal of Social Science, by H. G. Brett

Sandra Does a Book Review

NEWARK—As a book review evincing warm appreciation, and revealing just enough of the story to whet the curiosity, the following from Sandra, aged eight, would be hard to beat:

Dear Doctor Esty:

Missus Esty gave me a book called Revolt in Arcadia. Missus Esty said that it was especially from you too. I thank you very much for it. The boy in the book knew a lot about the teachings of Henry George. He told the king to let the slaves free. At first the king did not want too. "No such thing," said the king, "No such thing!" Now the king's feet were bothering him. "Oh," said the King, "*they hurt, they hurt!*" "Well," said the boy, "let those people free!" "Well," said the king, "I guess I will." That boy was a *very good Georgist*. I hope you know he was a fine slipper maker to. . . .

Gösta Larsson, graduate of the Henry George School, author of the delightful fantasy which won Sandra's approval, and other works, including "Our Daily Bread," "Fatherland Farewell," and "Ordeal of the Falcon," should be pleased.

Philadelphia Classes Listed

PHILADELPHIA—Director Julian P. Hickok of the Henry George School of Social Science in Philadelphia announces the following classes in fundamental economics to start in January:

Y. M. & Y. W. C. A., 403 South Broad St., Monday at 8:00

GERMANTOWN Y. W. C. A., 5820 Germantown Ave., Tuesday at 8:00

CENTRAL Y. M. C. A., 1421 Arch St., Tuesday at 8:00

FRANKFORD Y. W. C. A., Arrott & Leiper Sts., Wednesday at 8:00

S. W. BELMONT Y. W. C. A., 1605 Catherine St., Wednesday at 8:00

JEWISH COMMUNITY CENTER, 63rd and Ludlow, Wednesday at 8:00

WEST BRANCH Y. M. C. A., 5151 Sansom St., Thursday at 8:00

NORTH BRANCH Y. M. C. A., 1007 West Lehigh Ave., Thursday at 8:00

TEMPLE BETH ISRAEL, 32nd and Montgomery Ave., Thursday at 9:00

KENSINGTON Y. W. C. A., 174 West Allegheny Ave., Thursday at 7:30

Classes in International Trade are scheduled as follows:

GERMANTOWN Y. M. C. A., 5722 Greene St., Monday at 8:00

Y. M. & Y. W. C. A., 403 South Broad St., Tuesday at 8:00

KENSINGTON COMMUNITY CENTER, 2033 E. Alleghany Ave., Thursday at 9:30

Beginning January 8, a Teachers Training Class will meet every Friday at 8:00 at the Social Service Bldg., 311 South Juniper Street.

Celebrates and Prepares

MONTREAL—The fall classes in Fundamental Economics and International Trade completed their courses of study last month, and the occasion was fittingly celebrated by a well-attended gathering of students and their friends on the evening of December 11.

The winter term for both beginners and advanced students will start in January. A course on "Money and Its Functions" will be included in the winter schedule of advanced classes.

Nebraska Georgist Passes

OMAHA—The death last fall of E. M. Von Seggern was announced here recently by *We, the Citizens*, a single tax organization of which the deceased was chairman. Mr. Von Seggern was publisher and editor of *The West Point Republican*. Publication of the paper, a weekly, is being continued by his son.

A Man-Sized Job

NEW YORK—Major Sidney Tobias, formerly a partner in the accounting firm of Sinclair & Tobias, and president of the Henry George Fellowship in the period during which it was sponsored by the Henry George School, is now officer in charge of U. S. Army transportation in Australia.

Graduation Exercises

ST. LOUIS—Fall term graduation exercises of the Henry George School in St. Louis were held at the Carpenter Branch Library, 3309 South Grand Boulevard, at 8 P.M., Saturday, December 5. Captain Arthur Weir Falvey was the speaker of the evening.

Announcement was made that the next series of classes in Fundamental Economics would begin the week of January 18, 1943.

Alumnae Organize

ST. LOUIS—The recently organized Alumnae Association of the Henry George School in St. Louis lists its chief aim as boosting the attendance at school classes in the forthcoming winter term. Officers of the Association are as follows:

Carl J. Pursey, President; Harry D. Wahl, Vice President; George A. Hippolite, Secretary; Roy Stumpf, Treasurer; Joseph H. Meyer, Sergeant-at-Arms.

Jersey Commencement

NEWARK—Upwards of 150 persons from towns scattered throughout Northern New Jersey attended the fall term graduation dinner of the Henry George School of Social Science which was held at the Hamilton Restaurant, this city, on the evening of December 11. Considering transportation difficulties, the prior claim of air warden duty and other war effort activities, the attendance was held by school officials to be highly gratifying.

William L. Hall, slated to be chairman of the event, was unable to be present because of illness. His place was taken, on short notice, by Mrs. Teresa McCarthy Witort. Sam Heyward, "strolling guitarist," graduate of the Boston Conservatory of Music and the Henry George School in New York, and an instructor in the Correspondence Division at the New York School, entertained with songs and instrumental numbers, particularly delighting the audience with several deeply moving Negro spirituals. The program included talks by eight student speakers, Mrs. Anna George de Mille, President of the Board of Trustees of the Henry George School, Miss V. G. Peterson, Secretary of the Schalkenbach Foundation, and C. O. Steele, Editor of THE FREEMAN. The last named was chief speaker of the evening.

Books for the School

NEW YORK—Mrs. M. E. Heybroek, who conducts the course in public speaking at the Henry George School, recently presented the following books to the school library:

Modern Business—published by the Alexander Hamilton Institute.

Empire and Democracy, by G. S. Veitch.

The Way Out of Depression, by Hermann F. Arendtz.

How to Improve Your Conversation, by Grenville Kleiser.

Your Personality and Your Speaking Voice—How to Develop Them, by Clare Tree Major.

Letters to the Editor

World Democratic Government

May I thank the school for its excellently planned correspondence course. I do not find it easy to make converts, however. So few people have time to study Henry George's economic philosophy these days. I see in THE FREEMAN that the war is making it difficult for more experienced Georgists also. They seem to think that Peace is necessary for the growth of the Henry George movement.

Therefore it has occurred to me that Georgists should be interested in the movement for a just and durable Peace for which I was working when The Classics Club sent me "Progress and Poverty." I mean the Cause of World Democratic Government. The movement for World Democratic Government believes that the world is now one community; that communities without governments perish; that we have no alternative to World Democratic Government except endless wars; that, therefore, we should establish a Constitution for the Federation of the World; that that Constitution should be written now and advertised to the ends of the earth; that this is the way to win the war, for as people think, so they will fight.

The Declaration of the Federation of the World was passed by the North Carolina Legislature in March, 1941. In May, 1942, the New Jersey Legislature memorialized Congress on the subject of World Federation. We expect to submit similar proposals to several more state legislatures, when they go into session this January.

World Democratic Government, it seems to me, is inherent in Henry George's philosophy. I do not suggest that Georgists as such work for this movement, but that they do so as individuals. Neither movement can afford to gain the opposition of those who oppose the other movement. But when World Democratic Government has guaranteed Peace and political freedom and also, I hope, written into the World Constitution freedom from want at least as a pious hope, we Georgists, will have a fertile field, which we have not got now.

Washington, D. C. DORIS E. HULSE

Says Quebec Won

I do not see what Mr. Lancaster Greene is getting at in his article in the September issue of THE FREEMAN, "New Landlords for Old." It appears that the province of Quebec is buying $180,000 annual rent for $3,200,000. I do not know what interest the province will have to pay, but if less than six per cent the deal would seem to be a profitable transaction, with such a total absence of hi-jacking as to make a New York City operator hang his head in shame.

For the farmers, of course, as Mr. Greene points out, it is really a change in landlords, but Mr. Greene will have to do better than this if he wishes to expose the horrors of landlordism.

Briarcliff, N. Y. H. THOMSON

Says Miss Harkins Skidded

It is not enough for the Foundation to establish a school of social science for adults; it should begin with the kindergarten and go on through the various stages of human development. It seems to me that this is what the Henry George movement will have to come to. Many years ago the Brooklyn Single Tax Club had a kindergarten on Bedford Avenue which was started by Mrs. Fern, then Mrs. Battle, and which was run by Jennie Rogers, but it did not get continued support because Single Taxers did not understand its implications. The infant is forced to do his own thinking in the beginning by the nature of his being, but later he is diverted. Instead of being diverted, he should do his own thinking through to adulthood, with such help as may give him food for objective consideration of his problems and the problems of society.

Margaret Harkins' article in the November issue is one of the most thoughtful that has appeared in THE FREEMAN, in spite of its many fine articles. There are two slight errors in her quotation from Paracelsus: the first line should end with "rise," and the next should begin with "From"; and the line beginning with "Binds it" should read "Blinds it."

Stelton, N. J. ALEXIS C. FERN

P.S. Mrs. Fern wrote one of the postals that brought Father McGlynn into the Anti-Poverty movement.

Lay Off the War

Though I may be one of the chief offenders, I have felt that THE FREEMAN may be swinging too far in the direction opposite the one complained of a few months ago. It is not that I fear offending those Georgists who disagree with me, but my belief that some of the space devoted to the war might better be devoted to our philosophy of economic freedom.

Not that I would make it a dry doctrinaire magazine which not even our students would read—you showed a happy faculty of showing interestingly, in Lancaster Greene's article, why the tax on land values cannot be shifted. Russel Nye's article on William Dean Howells, R. W. Stiffey's broadside against "The Myth of Free Enterprise," Sanford Farkas' creed, "They Wouldn't Listen," Helen Platkin's "Truth Is Where You Find It" show how our philosophy can be attractively presented better than do any labored demonstration that we need win this war.

Allendale, N. J. STEPHEN BELL

A Letter to Margaret Harkins

Suite 742/46,
Waldorf-Astoria,
New York

Dear Miss Harkins:

I am indebted to you for the pleasure (mixed with a feeling of personal satisfaction, for I agree with your views entirely) experienced on reading—and rereading—your very much à-propos article "Social Science—The Fourth Horseman," contained in THE FREEMAN of November last. I wish to add that your article recalled to my mind—and vividly, indeed—an impromptu speech made by the late Duke of Aosta in Trieste (my home town) right after the armistice of November 1918, and at which I was present. In said speech the Duke reviewing the conditions of Europe and particularly of Italy, reminded the audience of the impelling necessity of reconstructing the moral values, destroyed during World War I, as a *conditio sine qua non* for a successful material rehabilitation. And in those fateful years after the 1918 armistice bloody fighting was sweeping Europe's war-torn countries, in Italy—transformed into an armed camp where opposing factions were seeking each other's physical destruction—a few enlightened men raised their voices appealing for a *modus vivendi* more in accordance with the preaching of St. Francis of Assisi—the most sainted among the Italians, the most Italian among the saints. That the whole nation was craving for something above the scarce and bitter bread of that time was evidenced by the fact that soon men in every walk of life joined those advocating a revival of things spiritual; even the theatre (Sem Benelli, among others) took upon itself part of this self-redeeming campaign. Unfortunately the base, materialistic forces prevailed. . . . How well you say in your article that "according to natural law every moral limitation must sooner or later be followed by material lack."

Thanking you again for enjoying your article and hoping to have the pleasure of meeting you some day—I attend Mr. Bringmann's class every Wednesday evening—I remain,

Very sincerely yours,

FRANCIS MARAN