

# The Freeman

*A Monthly Critical Journal of Social and Economic Affairs*

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Five Cents

## Henry George - Karl Marx

ANALYSIS OF THE BACKGROUNDS THAT DETERMINED  
THEIR SOCIO-ECONOMIC THEORIES—FRANK McEACHRAN

## "Liberals" and Their Silence

STUDIED AVOIDANCE OF FUNDAMENTAL PRINCIPLES  
SIGNIFICANTLY CONTINUES—HARRY GUNNISON BROWN

## The Right to Work

CAUSE AND CURE OF COAL STRIKES—IN 1939 AND IN 1894  
RECURRENCE OF BASIC CONDITIONS—HENRY GEORGE

## The Fair - Speculator's Paradise

GRAPHIC DEMONSTRATION OF INEVITABLE EFFECT OF  
ENTERPRISE ON LAND VALUES—M. FIXEL & M. PFEFFER

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The organization of political parties, the pride of place  
and power that they arouse and the strong prejudices they  
kindle, are always inimical to the search for truth and to  
the acceptance of truth.—Science of Political Economy.

# Codifying Our Caste System

The significance of current labor legislation is not in the ostensible purpose of these statutes. It is in the economic error which gives rise to them, and in the social trend which they hasten and perpetuate.

The economic error is that wages are paid by capital. The social trend is the division of the people into permanent castes, based not on religious ritual but on conditions approximating servitude.

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All these laws postulate the existence of a class of workers and a class of employers. The rights and aspirations of individuals in the pursuit of their chosen occupations are completely ignored. The ego is non-existent. Workers are a uniform protoplasm poured into the mold designed by legislators; employers are a peculiarly intractable group who in spite of their apparent differences in enterprise and initiative are alike in their wolfish proclivities which, for their own and their employees' good, must be harnessed by the law.

The old idea of a worker who ran the gamut of apprentice-journeyman-master is discarded. The ambition to rise from the ranks is not only disappearing, but the labor laws are based on its complete disappearance. A miner's son is destined to be a miner, a bricklayer must not aspire to be a contractor. The ideal underlying these laws is not the individual, but the mass group in which no individual may aspire to heights not attainable by the other members of that group.

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The difficulties that our legislators are having with these laws spring from a natural revulsion to this caste system. In European countries generations of economic slavery have conditioned the minds of the people to an acceptance of servitude. Our legislators point to England as the ideal of employer-labor relations, and promise us that if our new-fangled laws along these lines are given a chance, we too shall subside into the same sense of servility. Too true. Another generation or two trained in an environment of permanent unemployment, of State charity, of obsequious compliance with officialdom, and the individual-

ism that produced this great country will be a fairy tale.

\* \* \*

Aiding and abetting the process of decadence is the piffle taught by our pontifical professors of economics. In fact, it is they who are really congealing into law the labor-employer caste system, for it is in the false theories they teach that the apology for this system is found. That capital pays wages to labor—the greatest and most vicious lie that has ever been perpetrated on mankind—is either implied or brazenly stated in their textbooks, in their “popular” writings, in their lectures.

To destroy that falsehood it is only necessary to point to the true cause of poverty, and to prevent the decay in our social system which these labor laws merely mirror. Wages are paid out of the production of labor. Wages are paid by laborers to laborers. The shoes produced by the shoemaker find their way through our system of exchanges to the maker of shirts; and the wages of both are the result of these exchanges. The rate of wages is determined by the relative desirability of the shirts and the shoes. The employer, merely another kind of laborer, aids by his management in the production of shirts or shoes, and is also paid for his services out of the product.

\* \* \*

The only way to increase wages is to increase production. And since all production must begin with natural resources, access to these resources is of necessity the determining factor as to the amount of production that will eventually find its way into the pay envelope. Therefore, those to whom we have given titles to the Earth can and do reduce the part of production that goes to all labor, because they can and do determine the terms upon which this necessary access to the Earth can be had. This truth our pundits assiduously ignore.

\* \* \*

If we Americans have wit enough to learn and spread this truth, and act accordingly, we may yet avoid the caste system which our economic trend is forcing on us, as it has on England, and which is being codified by our labor legislation.

# Freeman Views the News

## The Coal Strike

A half-million workers want to produce coal—so that millions of other workers can produce other things that require the use of coal. When this half-million lay down their tools, transportation in New York is curtailed; workers who produce the clothing which, through the medium of wholesale and retail exchanges, ultimately is sold to the miners for their coal-wages, have to stop. The clothing workers are thus deprived of their clothing-wages, and cannot get wheat from the farmers; the farmers, thus deprived of their wheat-wages, cannot buy automobiles; the Detroit workers have no automobile-wages, and so on.

But, why do these half-million miners lay down their tools? They want to work, for they know that if they do not have coal-wages they cannot get for their gratification the things other workers produce.

The newspapers say the miners quit because their union could not come to an agreement with the mine owners. The assumption is that union leaders and mine owners make jobs possible. This is not so. Jobs are made possible where one producer wants what another producer makes.

But, jobs can be made impossible when one group of people who own natural resources refuses access to these resources. The miners did not work because they were barred from working by a legal privilege. And everybody suffers.

## The One-Way Partner

Taxes absorbed 22% of the national income in 1938, the largest share for any year as far back as records are available, according to a report issued by the National Industrial Conference Board. The previous "high" was in 1937 when only 17.7 cents of each dollar income went for taxes. Out of our total production went thirteen billion seven hundred million dollars' worth to maintain federal, state and local governments. One hundred and five dollars per man, woman and child

The saddest part of the story is that while our national income in 1938 was 10% less than it was the year before, our tax bill increased 11.4%. The less we make the more they take.

Thus, through taxation, government becomes more and more a one-way partner with production. It is one-way because it takes none of the risks, adds practically nothing to the enterprise of making a living. If, as

has been claimed, taxes go to rendering service which aids production, then the more taxes we pay the greater should be the production. The figures for 1937-1938 show the reverse. We paid more in taxes for 1938 than we did in 1937; we produced less. If the theory that taxes provide services that aid production were true, every increase in taxes should result in greater national income. Does it?



The 12th Census (1900) Vol. V., Pt. 1, showed only about 235,000 acres of rented farm land owned by foreigners, of which only 70,000 was British owned. However, the House Committee on Public Lands report of 1886 (U. S. House Report No. 3455, 49th Congress, 1st Session, 1886) quoted in "Certain Aspects of Land Problems & Government Land Policies," Part

VII of the supplementary Report of the Land Planning Committee to the National Resources Board, approx. 1937, lists some of the larger landholdings, in acres, of foreign groups and individuals." This shows 29 foreign corporations and individuals with 20,747,000 acres of which 26 British corporations or individuals owned 13,197,939 acres—not including Scully, Astor, Schenley and many others.—J. L. M.

## Sir John's Budget

Sir John Simon, Chancellor of the Exchequer, recently told the British people that the "cruel necessity" of preparing the Empire for "defense" necessitated an outlay of \$3,150,000,000. And then he told them how this money is to be raised.

First, \$1,900,000,000 will be "borrowed." That means, of course, that Britons for many generations will be burdened with a tax load. These taxes will not be paid to the government but eventually to the holders of the bonds. Perhaps Sir John will buy some of these bonds; that is, he will loan to the present government, of which he is part, some of his wealth. In due course of time he will die, and he will bequeath these bonds to an heir. This heir, who had nothing to do with loaning anything to the government, or with earning any of the money loaned to the government, will collect from British workers of the next generation, through taxes, part of their production.

We cannot borrow from a future generation. We cannot shoot guns today with ammunition made in the next century. We consume today what we produce today. All we can do with regard to the next generation is to load them with a mortgage on their production—a mortgage which they did not contract, for which we give them nothing.

It is fatuous to say that the mortgage is a good thing for them, that without it they would not have a "country" to live in, or "freedom from slavery," and so on ad nauseam. How do we know what kind of government they would like to live under? What right have we to prescribe the conditions under which our great-grandchildren must seek their satisfactions? Let us hope that they show more sense in ordering their world than we have shown; we cannot boast of our social scene, characterized by poverty and by war.

Nor can we claim that the sacrifice we are asking the unborn to make is an assurance that they will be free from poverty or from war. In our own "democratic" United States, no generation has been free from war. And the increasing number of unemployed indicates that the cause of

poverty is as virulent today as ever. The claim of "good parentage" is stupid, in the light of history. We've made a mess of things; therefore, we cannot claim any right to impose our ideas on the future. Let's give them a chance to work out their salvation for themselves. We have no right to mortgage them.

But, the reason Sir John proposes to mortgage the future by borrowing nearly two billion from the present is that if he proposed to take the two billion from those who have it there would be such opposition from these people that his whole plan would fizzle out. There is two billion in England now. If there weren't Sir John could not borrow it. Why not take it—from the present generation, from the living who want to "save" England, from those who got it in England? It is *their* England. How much is it worth to them? Apparently, not two billion.

We almost forgot to mention the billion-odd dollars that Sir John is actually going to take from the present generation. Most of it he is going to get from tea-drinkers, cigarette-smokers, automobile-drivers, and other Britons who work for these things. The fellows who have the two billion will pay some out of their incomes—but the source of their incomes will not be affected. If it were, they would in all likelihood fight

England rather than a foreign enemy; as Franco fought Spaniards.

And the decadent Britons, mired by English sophistry to economic slavery, proudly meet Sir John's proposal to further enslave them with a headline: "We Can Take It."

## Liberte-Egalite-Fraternite

Unemployed French workmen may be shifted to any part of France where there is work, under a decree signed last month by the President of the Republic. That is, if they want to eat. Failure to go where they are sent by the government deprives the workers of the dole.

We are told by our "economists" that unemployment and relief must be considered a permanent problem in this country. Therefore, it is quite possible that some bright young politico-economist may suggest an American counterpart of the French method of meeting this problem. If a shoe-maker who has lived all his life in Lynn, Massachusetts, finds himself out of work, he may be ordered to Milwaukee where this bright young planner has found a job for him. If he refuses to go, he starves.

We might comment on the similarity between French "democratic" and Nazi "totalitarian" methods of handling unemployment. But, it is wiser to think of our own problem.

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## Business—As Usual

The United States Chamber of Commerce inaugurated last month a new strategy in its war upon the New Deal. It feted 300 Senators and Representatives at regional dinners, at which the verbal attacks on New Deal policies were greeted with loud applause. The plan apparently is to outflank the executive branch of the government by an attack upon the legislative branch.

Let us analyze the motives and the social philosophy which underlie this controversy between Business and Government. For involved in this struggle is a principle which affects the welfare of every citizen, as well as the direction which our form of government must take. We are not bystanders; we are all in this fight, whether we know it or not.

The fight between Business and Government did not start with this administration. Long before our President invented the "economic royalists" another Roosevelt exploded with the "malefactors of great wealth." The commission form of government is much older than our modern alphabetical bureaucracies. We must look for fundamental causes before we can fully understand the controversy between Business and the New Deal.

The purpose of Business is, at bottom, the rendering of service; the motive is to make a profit. The measure of the services rendered is the number of sales. But, the profit for which business is conducted is not necessarily determined by the number of sales. The profit is the excess of income over outgo—the difference between cost of production and price. This excess should increase with the amount of services rendered—with the number of sales. But sometimes it can be increased by securing a privilege that reduces competition, thus increasing price.

So, then, profits can be increased by securing special privileges. For instance, if I get an exclusive license to sell peanuts at the circus, I can get a higher price for peanuts than what I should get if I had competitors; my profits would be increased by the privilege, not by the number of sales. If the government gave me

a monopoly through a tariff or a patent or a title of some kind that could be enforced, on the right to look at the moon, then I could make a profit on all lovers without giving them anything in return.

Profits, then, can be made by rendering service or by securing a privilege. If we study the fights between Government and Business we find that at the bottom there is some privilege which Business is trying to get or to hold on to. But remember that every privilege is an advantage, and every advantage includes a disadvantage. My exclusive property to the Man in the Moon is to the disadvantage of lovers all over the world. What I gain they lose.

It is the province of Government to see that all its citizens get a fair deal. Therefore, it should be its business to see that none of its citizens has an advantage over others in the struggle for life and the pursuit of happiness. It ceases to be good government, it becomes wicked government, when it grants privileges which enable some to make a profit without rendering a commensurate service. Such a profit (like my price for the moon) is not profit, it is extortion.

All privileges are derived from Government. And that is where all the trouble begins. If the government had never given to some of us special rights, tariffs, monopolies, titles, patents, subsidies which enable us to get a price for which we render no service, there would be nothing to fight about. But, once embarked upon the policy of granting privileges, the government is called upon by various pressure groups to grant more and more privileges—to the disadvantage of more and more de-privileged citizens. And, of course, when Government tries to retrace its steps by withdrawing privileges, those who have been getting "something for nothing" are quite upset.

Most people engaged in the production of goods have had to work in a competitive market, and their profits are commensurate with the services they render. In fact, most businesses have suffered by the privileges given by government to the powerful pressure groups. They have to buy from these privileged groups.

But, because business men do not distinguish between profits derived from service and profits derived from privilege, we find the producers lining themselves up with their natural enemies—the privileged group.

The real struggle is not between Business and Government. It is between Producers and Privilege.

## He Sees Something

"We all know that it is largely a matter of chance if a new highway is located through one man's land and misses another man's land a few miles away. Yet the man who, by good fortune, sells a narrow right-of-way for a new highway makes, in most cases, a handsome profit through the increase in value of all of the rest of his land. That represents an unearned increment of profit, a profit which comes to a mere handful of lucky citizens and which is denied to a vast majority."

The quotation is from the President's letter to Secretary Wallace, on a proposed network of highways.

To obviate this "profit which comes to a mere handful of lucky citizens" the President suggests that the government acquire wide strips of land on either side of the proposed roads and sell or rent the property to private citizens when its value has been enhanced by the construction of the roads.

With due respect to our President, the naiveté of this proposal is quite appalling. In the first place, when the government attempts to acquire this land the owners will jack the price up in anticipation of the enhanced value that the road will bring. Condemnation proceedings will not help much, for the courts have always taken enhanced valuations into consideration when making awards; the ethics of unearned increment has never been questioned by law, because it is not questioned by society.

As for the suggestion that the government sell the land "when its value has been enhanced by the construction of the roads"—this smacks too much of land speculation by the government. If it is right for the government to speculate in land, it is right for private citizens to speculate in land.

The simple, feasible and ethical solution is for the government to tax the value of the adjacent lands. The increment being due to the improvement made by society, it belongs to society. The way for society to get it is through the instrument of taxation.

## The President Inquires

Forty-two witnesses from industry, finance and the government have been invited by the so-called Temporary National Economic Committee to help it answer some questions propounded by the President, to wit:

1. Why has investment lagged?
2. Have we seen the end of our dynamic mass production, based on lower prices and more employment?
3. Are we in for stagnation or decline?
4. What is the proper function of government when investments lag?

What a pity the President did not select a few students who have completed the study of "Progress and Poverty" to help him solve these problems. Expense to the taxpayers would have been saved, for these students would gladly have paid their own expenses for the pleasure of helping out the bewildered President, and the answers, based on fundamental principles, could have been given in the time it takes to have a cup of tea. Here they are:

1. Investment has lagged because there is no market for investment. There is no market because the production of wealth is at low ebb. Remember, Mr. President, all returns on investments, whether in Industry or in Privilege, come from production. When production is low, interest is low; when interest is low, capital stops working. Capital will continue idle until a market for its products can be found. The market for all products is—Wages. Until

that market is revived, Capital cannot go to work. You are in a quandary, Mr. Roosevelt, merely because you learned at college that Wages come out of Capital. Get over that notion and you'll solve all your economic worries.

2. This is a puzzling question. Sounds very much like an economics text book. But it might mean: Have people stopped wanting things? Have they a surfeit of automobiles, clothing, candy, books, fishhooks, rare stamps, homes, and all the other things people usually want? Frankly, Mr. President, anyone who thinks that, is an idiot. There is no end to man's desires. And since the object of production is to gratify man's desires, there cannot be an end or surplus of production.

3. Yes, Mr. President, we are in for stagnation and decline unless we let men go to work to produce the things they want—and to keep them. Now, the reason they are not working is that a few people who own the earth have placed a price on permission to work. (Of course you know, as a farmer and a fisherman, that all work starts on the land.) It's a stiff price and leaves to the worker very little Wages to live on. When Wages are low you have evidence that production has declined. That's why our economy is stagnant and declining.

4. That's easy. All the government has to do is to collect the rent of land and give it back to all the people in social services. Then the land owners, Mr. President, cannot withhold the Earth from use; cannot collect tribute from Capital and Labor. Production will keep pace with desires. All of production will go to Wages and Interest, none to Tribute. Oh yes, you will not be bothered with taxation, for the rent fund will take care of all our social needs. Abolishing taxes will increase the purchasing power of Capital and Labor.

## Class of 1939

We recall, dimly indeed, the emotional experience of reaching out for our parchment, Eureka!

It was the last time we wore our cap and gown. It was not the last time we thought of them. How loyal we are to the ideals of youth! The bitter experience of a forced shedding of these ideals during the ensuing years only heightens this devotion to the lost cause.

That is why class re-unions are so bitter-sweet. The meeting with souls that for a few fleeting years embraced with us the law of Justice enkindles the spark that never dies out. The flame is gone. Years of frustration and disillusionment, years spent in a world where Success, not Justice, is the idol, years of buffet-ing the blows of dire necessity, of needless inhumanity, have nearly quenched the warm glow of campus idealism. But not quite. Even the pictures of long rows of graduates marching down the library steps re-vivifies the undying ember of what was Man.

And so, every June, even as we pity these graduates for the hurt they will suffer as their dreams are torn from their hearts, we still enjoy a momentary re-living with our own youth. That is good. For in that one moment comes a new vigor to our weary mind and tiring body, so that until next commencement we may keep on fighting for a world in which some graduating class may realize the ideals of the campus.

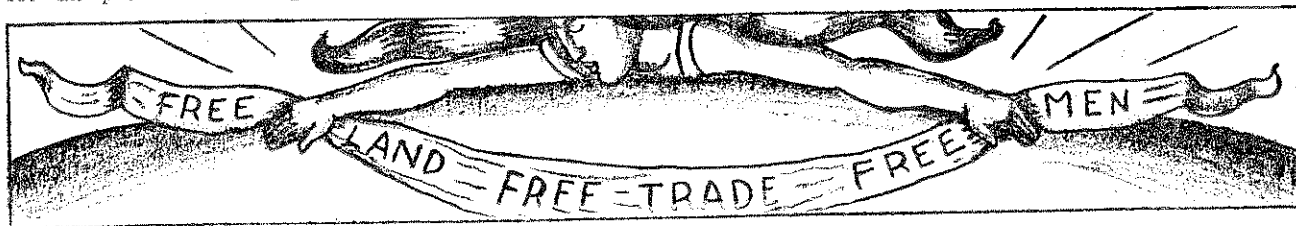
## College Economics

Instructor—What is Capital?

Student—When you lend somebody \$5.00.

Instructor—What is Labor?

Student—When you try to get it back.



# Henry George and Karl Marx

By Frank McEachran,

As the title of this address may suggest too extensive a range of subject, I will begin by stating more concisely the points I wish to make. These are three in number and start with a general remark on capitalism, its relation to Liberal\* and Marxist policy, and the respect in which the Communist attitude differs from ours. The second is a study of the mentality of Henry George and Karl Marx on the background of economic environment and the possibility, arising out of this, of explaining Marxism in a new way. The third is the Marxist dialectic and its relation to social history, in particular its relation to our own point of view and future development. These three points are bound up closely together and form a definite whole, explaining the real character, not always realized, of world conditions at the present day. If the conclusions drawn seem somewhat pessimistic, I will allege the events of recent times and point out that if an element of truth is ascertained, then something positive is achieved. More than this we cannot claim to do.

Modern capitalism, as we interpret it, failed to develop along sound and normal lines owing to a very simple reason. This was the failure, in post-feudal times, to collect land values for revenue and the consequent creation of a population permanently unable to buy the wealth it produced. The manufacturer, bent simultaneously on depressing wages and on selling goods,\*\* was never able to solve the contradiction and in consequence was forced into a constant and chronic search for markets. A solution was found in the nineteenth century in overseas expansion, export of goods, capital and men, culminating at the present day in the "imperialism" of modern capitalistic Powers which has been so fruitful a cause of war. Today the spectacle of the Japanese in Manchuria and of the Italians in Abyssinia may help to remind us, somewhat starkly of our own past development and suggest, perhaps too late, what the world is really like. There are now no new markets, and, short of opening up the moon, a limit has come to expansion. So the crisis comes home to stay and under

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Copies of this address, which was delivered before the 1936 International Conference, London, England, are available at the Henry George School of Social Science, at five cents each, postpaid.

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various rubrics, Nationalism, Fascism, Hitlerism, etc., is with us everywhere.

With this simplified analysis of the tendencies of capitalism the Marxist would in the main agree, and it is only in the diagnosis of its character that a radical disagreement arises. For where we make a fundamental distinction between "wealth" and its source, between perishable "goods" (food, clothes, houses, machines, etc.) and imperishable "land," the Marxists fail to make any distinction and approach the problem from the angle of value pure and simple. Again, where we attribute the defect—and the only defect—of capitalism to the private appropriation of land values, they attack capitalism root and branch and regard it as fundamentally unethical. Analysing it briefly as—

- (1) private enterprise;
- (2) investment (use of savings for further investment);

we maintain that it is perfectly ethical and that its apparent defects are really due to an external cause, i. e., a foolish system of land tenure. All values in the long run accrue as rent and although the superstructure of modern capitalism conceals the fact, vast accumulations of finance capital depend finally on land values.

Granted therefore the public appropriation of land values, capitalism in its essence would still remain, but so changed in range and manner of operation that the first to derive benefit from it would be the worker and the worker, moreover, as an individual. What the Marxists call "surplus value" and what is really an effect of land values accruing privately would return to the worker by the ordinary forms of competition and by means of a constantly rising level of wages. All this, however, the Marxists are prevented from seeing for historical reasons and they go on to condemn all forms of private enterprises and all interest on private capital, so coming to the erroneous conclusion that the social urge has primacy over that of the individual.

Hence, to a large extent, their condemnation of Christian ethics, which are primarily individualistic, and their substitution of relativistic codes, varying from social level to social level.† They are right, of course, in pointing out that the laissez-faire of the nineteenth century led to enormous evils, but the reason is not the one they allege. Far from being too laissez-faire the nineteenth century was not laissez-faire enough and it is possible that in pointing this fact out we may perform a service of the greatest importance.

The history of the nineteenth century was distinguished by the presence, almost contemporaneously, of two famous economic philosophers, Henry George and Karl Marx, each of whom diagnosed in his own way the economic situation of his age. Both were original in thought and both were influenced by the age they lived in, most of all by a certain difference of environment. But before following this point up, let us notice that the free market in goods and ideas, which we regard as the fundamental basis of the Liberal outlook, was the background for both Marx and George and without its wide horizon and immense factual knowledge Marx himself and his work would be inconceivable. For this reason, if for no other, the contempt of the Marxists for Liberal thought is, to say the least, ungrateful. The point is small, yet suggestive. It may undermine the absolutism of Marxist theorizing.

To return to the economic argument. The Liberals claim and even Marx himself agreed, that the fundamental basis of exploitation was historically land enclosure and that if the land had been really free no monopoly of "surplus value" could have grown up. Now the environment which Marx grew up in during early manhood (Central Europe) and that which George was brought up in (America) differed precisely in this point of the land question, and we shall see on examination how significant this is. For Henry George, living in an America still half empty, saw the obvious and only means of preventing monopoly and saw it, historically speaking, only just in time. What had escaped Adam Smith, what the Physiocrats in semi-



feudal France saw only vaguely, what nineteenth century England could never have seen of itself, that was seen and could only be seen in half-empty, yet industrialized America.

For America is unique in modern times in one single respect, namely that there alone for a time competition between labour and capital was weighted on the side of labour and conditions were to some extent free. Land was cheap and labour was dear, and in consequence labour poured million-fold into this land flowing with milk and honey. The outcome of this we now know, having lived long enough to see. For almost a century America was the land of the free, the land of unlimited possibilities, the inspiration of a Walt Whitman and of a Mark Twain, and remained so, roughly, till the frontier reached the Pacific. These days are over now and over for good. The literature of America is no longer optimistic and no one knows what the future holds.

It was otherwise with Marx. Born into a land-locked Europe, where industry was founded on a basis of unfree land from the start, where bargaining possibilities had never really existed for the worker, it was natural that he should draw conclusions very different and of an anti-individualistic nature. Capitalism, with its private enterprise and interest on investment (behind which the land value problem was completely concealed) with its ruthlessly unethical attitude towards the labour it exploited and which no economic law seemed to protect, appeared to Marx like a monstrous caricature of a "system" and without examining fully the assumptions behind this judgment he rejected the Liberal hope. Nothing short of a workers' revolution, in the conditions prevailing, seemed to him to offer any prospect for the future and on this basis he worked out his economic theory.

Yet even Marx, thinking the matter out more fully in the third book of *Das Kapital*, seems to realize the implication of the early land enclosures and either did not live to drive this point home to his followers, or found the historical position too hopeless to make it practical. Hence the present situation and the development of the Marxist dialectic, which is the third point I wish to make.

This is, of course, no place to discuss the infinite ramifications of the Marxist dialectic as developed from Hegel and Marx down to Lenin and Stalin and I shall confine myself to a few salient examples. According to the philosophy of dialectical ma-

terialism the movement of history (like the movement of everything else) proceeds on a definite pattern of thesis, antithesis and synthesis, the thesis being the beginning of the movement (such as feudalism), the antithesis its breakdown and transformation (at the time of the Renaissance and Reformation), and the synthesis the new movement evolving out of it (in this case the economic society of the seventeenth and eighteenth centuries in England).

As regards the cause of this movement the Marxists find its mobile in the material means of production, any change in which of a radical kind leads finally to a revolution, peaceful or otherwise, in the political and social structure. As an example of the way this interpretation of history works out, I can point to the English rebellion of 1640 and the revolution of 1688 where the change in production, since feudal times, first expressed itself in political forms. Fundamentally the new agricultural entrepreneurs and their allies the merchant bourgeoisie who made their wealth by means of large sheep runs and export of wool, etc., were wresting political power from the now effete feudal landowners.

In our own time the Russians have effected in quick succession two major revolutions (March-November, 1917), first a bourgeois, then a workers' revolution, thus catching up and also outstripping, in their own estimation, the nations of the West. For notice, the same inevitability or destiny which change in the means of production brought about for the bourgeoisie in the past, is now working for the proletariat and cannot be evaded. Capitalism, in order to be more efficient, must continually concentrate. Concentration in its turn implies bigger plant, vaster congeries of workers, and massed workers, in the end, mean revolution. Finally the day comes when the workers, properly organized, find themselves so numerous that the revolution occurs almost of itself. This is what happened in Russia in 1917 where in proportion to their numbers, the workers were massed in fewer factories than anywhere else on earth, not excluding America. So Russia, having stolen a march on the rest of the world, now waits for our revolution to follow hers. Evolution is for it, destiny is for it, we are doomed.

Obviously, for us who still believe in human freedom there is no certainty in this prophecy, whatever other elements of truth it may con-

tain. Yet it behooves us to examine carefully the implications of the dialectic and to use for our own purposes the parts which affect us. In the first place we must note that Marxist Communism, in the light of past experience, does appear to be the culmination of the evolution of a century, even if, in our opinion, it is an undesirable culmination. The growth of land monopoly (increase of private rent values), of tariffs, of quotas, of currency restriction, of taxation, etc., widening and hardening hindrances to production, leading to great relative poverty and unemployment—all point in the same direction. The worker unable to find work, and the employer, unable to sell his goods, both appeal to the State and find in it their only salvation.

What is surprising then in the point of view of the Communists, which sees no hope apart from the State and in its name seizes everything, removing completely the whole Liberal foundation? Having failed to break monopoly in its inception and to make the individual self-supporting the only alternative is to "go the whole hog" with the power of the State. It is true that Marxism is ultimately "anarchic," claiming that the State will wither away, but this implies a corresponding economic basis, which the Marxists as yet have not supplied. What is certain is that in Russia Liberalism, as we know it, is dead, and once dead it cannot easily be resurrected. Stranger still, in England itself, once its greatest stronghold, it is dying, too, and here is where the dialectic can really teach us something.

The question has often been put to me, what is it that has prevented Georgeist principles from finding acceptance in all parts of the world, when to most of us—and we are not cleverer than other people—they seem so obvious and self-evident? Or again, we might ask, what is it that has prevented Liberal statesmen after many opportunities from effecting more than a minute proportion of what they hoped to effect and which has even brought the world, in this year of grace 1936, to the pass it is now in, steadily moving towards a renewal of conflict?

For notice, not only are we making practically no advance but also we are definitely retrograding, the loss of Free Trade being, when all is considered, the blackest day in



Liberal history ever known. Already to many observers, the epoch 1832-1932 from the Reform Bill and the Repeal of the Corn Laws down to the crisis of four years ago when Free Trade and the Gold Standard were abandoned, is an epoch which is over and done, the epoch of Liberal politics, of toleration and of humanity—the one great age in history when the world lived in immense hope.

What is it then which has caused England, the one hope of an internationally-minded world, to deflect from its position as leader in Liberal thought and economics—what is it, I ask, but this same dialectic of the Marxists which slowly but surely reveals a history moving against us, cutting the very ground from under our feet? Internal monopoly, lack of buying power, State quotas, marketing boards, subsidies, etc., have created in Britain and are creating not only vested interests which will bring us to ruin in the end, but also what is perhaps even worse, a mental bluntness or warped thinking which makes unprejudiced discussion almost impossible. Most of us, in endeavoring to explain the general point of view of Liberal economics, must have noticed an increasing difficulty since the crisis and even a growing opposition, so that even the Free Trade position, so obvious and convincing in itself, is now no longer accepted.

I venture to prophesy here and now that the opposition and the difficulty will increase steadily in the future.

We have seen recently the fall of what was, if not Liberal government, at least civilized government with democratic tendencies in the whole of Central Europe and we are in no doubt as to the causes. I remember once in Budapest a very old man making to me in a com-

ment on the post-war situation, the following remark: "When a country is still young, as America was a century ago, then the Georgeist solution is not wanted, the land is still free and labour is in demand. On the other hand, when a country is old, like this Europe of ours, then it is too late and no radical change can occur. The vested interests are too strong and all that can happen is decay." This is a comment which I think exaggerated, but it contains an element of truth and may remind us at least where we stand and the historical role we play.

On the one hand we have monopoly growing in the West, leading gradually to fanaticism, poverty and spiritual decay, and finally Fascism. On the other we have Soviet Russia, where private monopoly, it is true, is broken, but where another more powerful has arisen in its place, that of the State. No one will deny the sincerity of Communist principles and the honesty of their belief in future freedom, but we cannot help seeing, in the whole evolution of present-day life in Russia, the development of precisely the opposite tendency. For in Russia to-day conditions are being created, and at terrific speed, which by their own nature and future development demand centralized control and must always do so, and from which it is inconceivable that freedom should arise. Huge towns, rivalling and out-distancing London and New York are not, in our opinion, the right way to solve the age-long problem of town versus country, and a "planned" and "concentrated" industry, after all, is the culmination rather than the negation of capitalism.

Finally, in between the Fascist and Russian opposites we have the despised Liberal policy which alone offers not only the abstract hope of

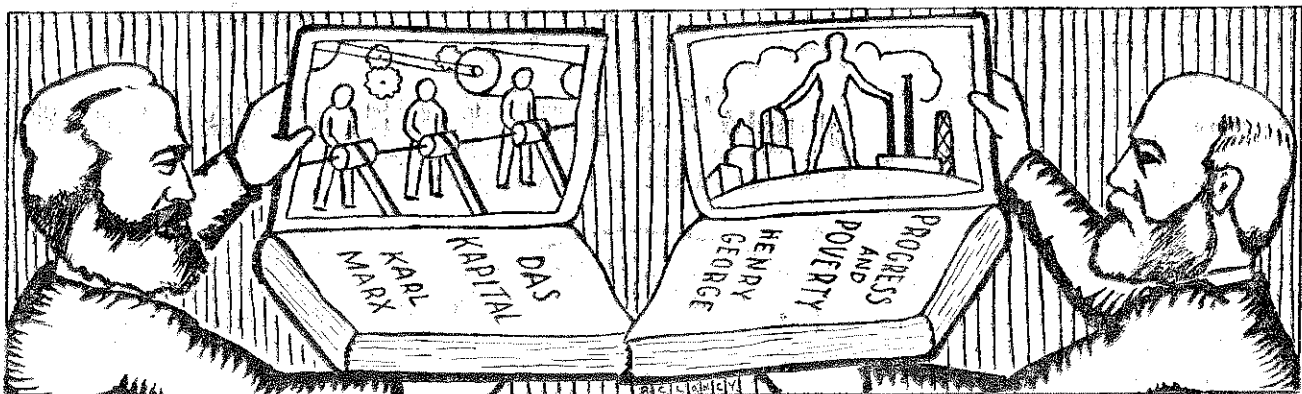
freedom, but also a concrete, if difficult, way of achieving it. There are, in our terminology, two sources of wealth and no other, land and human beings, and in the free interplay between the two, wealth arises. For many centuries chattel slavery was a legal and moral institution, declared and pronounced by economic experts to be absolutely necessary. Later, slavery was found unnecessary and one of the sources of wealth was made free. The other source of wealth—the more passive one—is still held in bondage by a foolish economic system and it may remain so for years to come, but only when it is free will a free society arise.

In conclusion, I would like to say that the Liberal tradition now suffers, in our terminology, two sources in the world and if it collapses there is nothing, positively nothing, which can be put in its place. Freedom of the intellect comes from the Greeks, of the spirit from the Christians, and both are rooted in the freedom of matter, the incarnation of the immaterial in the material world. Free the body and the soul may flourish. Trap the body and the soul may wither. The ancient world, with all its cultural splendour, died of the slave monopoly of Rome: let us beware lest our own die from a similar cause.

\* The word Liberal is not used in any political party sense but as describing the point of view of those who hold that the economic problem can be solved without the dictatorship of the state.

\*\* A contradiction "discovered" recently by Major Douglas. His "social credit" remedy is like mending the roof of a house when the ground is giving.

† Christian ethics tend, unfortunately, to "assume" economic freedom as an axiom often when it is conspicuously absent.



# "Liberals" Continue Great Silence

By Harry Gunnison Brown

A recent editorial in the St. Louis *Post-Dispatch* entitled "Tax Reform and Recovery" exemplifies again the fact that land-value taxation is—apparently as much in "liberal" circles as anywhere else—the subject of The Great Silence. Even when it seems that a particular train of argument cannot possibly fail to lead to some comment on or evaluation of the land-value-tax program, "liberal" writers nevertheless manage to avoid any mention of it.

The *Post-Dispatch* editorial in question contains approving references to a Brookings Institution study and to a *New Republic* article, the authors of both of which, it appears, are equally loath to mention at all the community-produced rent of land in connection with the tax problem. Citing as authority the Brookings study by Dr. James D. Magee, the editorial contends that "if taxes are so high as to limit too sharply the prospect of profit from an investment, people who have money will simply let it remain idle. In that case, business stagnates and laboring men are forced into the ranks of the unemployed."

The article goes on to say: "If we place taxes so high as to dry up the stream of new investment, as Germany has done, we make it difficult for democratic capitalism to endure. This is a point which John T. Flynn has argued with a good deal of conviction in the *New Republic*. The argument is developed at length also in a report, 'Taxation Under Capitalism,' issued by the New Fabian Research Bureau, representing the gradual Socialists of England."

I do not intend, in this connection, to comment on the various changes in our tax system suggested in the Brookings report and in the editorial, such as the proposal to levy taxes on income from government securities, and the one to allow a deduction of corporation losses over a period of several years instead of only one, before calculating net taxable income.

Nor do I intend to take any position here on the question whether the true explanation for continued business stagnation is—as the editorial contends—the taxing away of the gains of capital.

But I do intend to emphasize the fact that a tax on land value or on the income from land and sites as such, can take practically all such income (in strict theory, absolutely all) for public purposes without discouraging in the slightest any capital construction or any employment of labor. At the same time it acts to discourage speculative withholding of good land from use at the expense of the community. And I would point out that the more revenue is thus secured, the less is necessarily appropriated from the earnings of true capital. And hence, the net returns on capital investment could be appreciably increased. Therefore, whatever may be the evil consequences of taxing capital and the income from capital heavily, these consequences can be avoided by distinguishing between capital and land, and by distinguishing between the interest on capital on one hand, and the rent and royalties of sites and natural resources on the other. No other possible tax reform offers such relief to industry, enterprise and thrift, or such hope for the common man. Yet our "liberal" newspapers and magazines won't give it even passing mention.

The St. Louis *Post-Dispatch* is reputedly a very "liberal" newspaper. It has recently expressed itself as highly critical of the retail sales tax. It can hardly be in favor, therefore, of substituting sales taxes for the taxes it is here criticizing. Aside from the suggestion—almost certain to be carried out in the very near

future—that more tax be collected from the income on government bonds, national, state and local, where is the revenue to be secured to relieve capital? Is it to be had by reducing income tax exemptions ("broadening the income tax base") so as to collect a larger amount directly from the labor income of the lower middle classes? If not, how?

Of course, being so "liberal," this paper and others like it must not—and evidently will not—suggest anything to interfere with a system under which private individuals enjoy each year billions of dollars worth of community-produced site rent. Of course they will not attempt to interfere with a system under which a majority must pay a minority for permission to work on and to live on the earth.

It is essential to "relieve" capital. Yes, indeed. And sales taxes must not be extended. Of course not. But, above all and most important of all—if we are "liberals"—we must not so much as whisper the suggestion that community-produced site rent might be made to pay a higher tax than the earnings of labor, productive enterprise and thrift. And so this proposal of some idealists continues to be, among our "liberals," The Subject of the Great Silence.

## What You Can Do

The man who tries to do what he can, be it ever so little, will surely find his power grow and his sphere of usefulness widen. Great meetings, stirring addresses, political campaigns, may be all in their way useful; but that which tells most is the quiet, hand to hand effort of earnest men and women. Do not be impatient to see results; do not be disheartened if you do not see them. No one can ever tell how much he may do. Thought set in motion goes on perpetuating its impulse in ever widening circles, and the humblest and the weakest may strike a spark that will in time kindle a great light.

HENRY GEORGE.



# The Farmer and The Assessor

By Waldo J. Wernicke

A deputy assessor approaches a farmer and tries to find out the value of his holdings; the assessor operates on the "ability to pay" theory, which the plundering pirates of the high seas, as well as the modern highwaymen, have always used on their victims. Assessor's questions and farmer's replies are about as follows:

Q. "What is the value of your farm?"

A. "About \$2,000; I paid the Suburban Security Realtors about \$200 an acre for the land."

Q. How many acres have you here?

A. Ten. But the land is going sour and rotten for lack of proper amount of irrigation water, and fertilizers are badly needed to build up the soil. It needs considerable tillage in order to produce more and better crops.

Q. What is the value of your improvements?

A. About \$500; the old house is also sadly in need of many expensive repairs; it is getting to look worn-out.

Q. And the value of your livestock?

A. About \$200. My animals are not worth much now for some of them have been sick and needed attention, but my funds were low, so they had to suffer and recover as best they could; the best one injured his leg in some manner, but it may get better in time.

Q. Now, what is the value of your crops?

A. Perhaps \$150. The crops are not doing as well as they might, they lack good fertilizer, and water, and the pests are so numerous and vicious they have destroyed nearly one-third of what I should have had; and then the prices I sometimes get are so very low. Yes, I would say the crops are poor.

Q. And the value of your trees?

A. Oh, the trees are wasted a bit. The rodents and frost got at them. I would say they are worth \$50.

Q. What is the value of your implements and tools?

A. I guess around \$50. They are getting worn out and need a lot of repair. I also need irrigation pipe and new cement water stands to control the flow of water.

Q. Now, what is the value of your personal property?

A. Well, maybe around \$50, although I need a lot of things for myself and the family, but they and I will just have to wait until I can get a better return from a better and larger crop.

Q. Have you any securities, like stocks and bonds or any insurance? If so, what is their present value?

A. None. I have an expensive mortgage on my farm, but I do not know its present value.

Q. Have you any other evidence of wealth or things of value that are assessable for taxes?

A. Whew--you got me! I don't know.

The Assessor looks at the farmer and says: "Well you appear to be doing pretty good here, for I find from a tabulation of the figures of the values you have given me today that this place is worth \$3,000 for tax assessment purposes. You can pay the tax levy at one time, or in two installments—twice a year just

as long as you have it—or you live. Good day!"

Now this farmer—like many another—made a mistake when he first admitted that his farm was worth \$2,000, when he really meant that its total value was \$2,000; for he then had intended the inclusion of everything in and about the farm, i.e. the land, improvements, personal property, stock, crops, trees, implements, etc., from which should have been deducted the value of the mortgage, owned by someone else.

This farmer had assessed himself on some \$1,000 of depreciating products of his own labor. The assessor added the individual amounts to the total value of the entire farm, instead of classifying them as parts of the \$2,000; a pernicious way the assessor has of confusing farmers and making them admit what they do not mean—taxing them twice on their improvements.

The farmer should not have admitted any value to the land for that was covered by mortgage. He owned no land value on the land he was using, for the owner of the mortgage was collecting as interest all the land rent, or all the land was worth, and should have been taxed as the owner.

## INDIANS UNDERSTOOD THE LAND PROBLEM

"From New Mexico to Central America the sedentary Indians developed a system of land tenure which was eminently satisfactory to them. There was no individual ownership of land. Title was in the community, though heads of families enjoyed practically life tenure, conditioned upon a proper use of the land and the performance of a fair share of the community work. Moreover, no community appropriated more land than was necessary to provide for immediate needs. ... It is safe to predict that Mexico will become a permanently tranquil country when its governing class restores to the Indian population secure possession of community lands.

"The Pueblos exemplify to an extent not achieved by any other people in the world ... the community type of social structure as distant from the state or national type. There was no individual ownership of land. ... There was no common ownership in crops or other personal property. In fact, there was no community property save in the land, sanctuaries and the religious paraphernalia. Occupants of the great community houses virtually owned the apartment occupied. Tenure was for the life of not only the family but the clan, and there were no transfers of ownership."

\* From "Ancient Life in the American Southwest" by Dr. Edgar Lee Hewett.

# The Fair: Speculator's Paradise

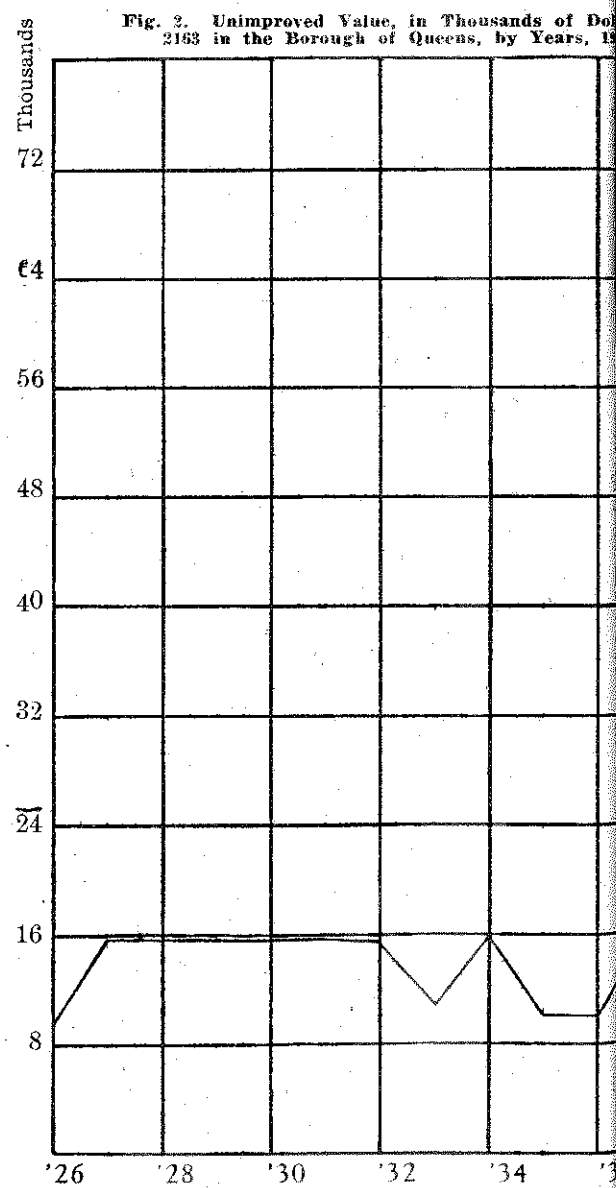
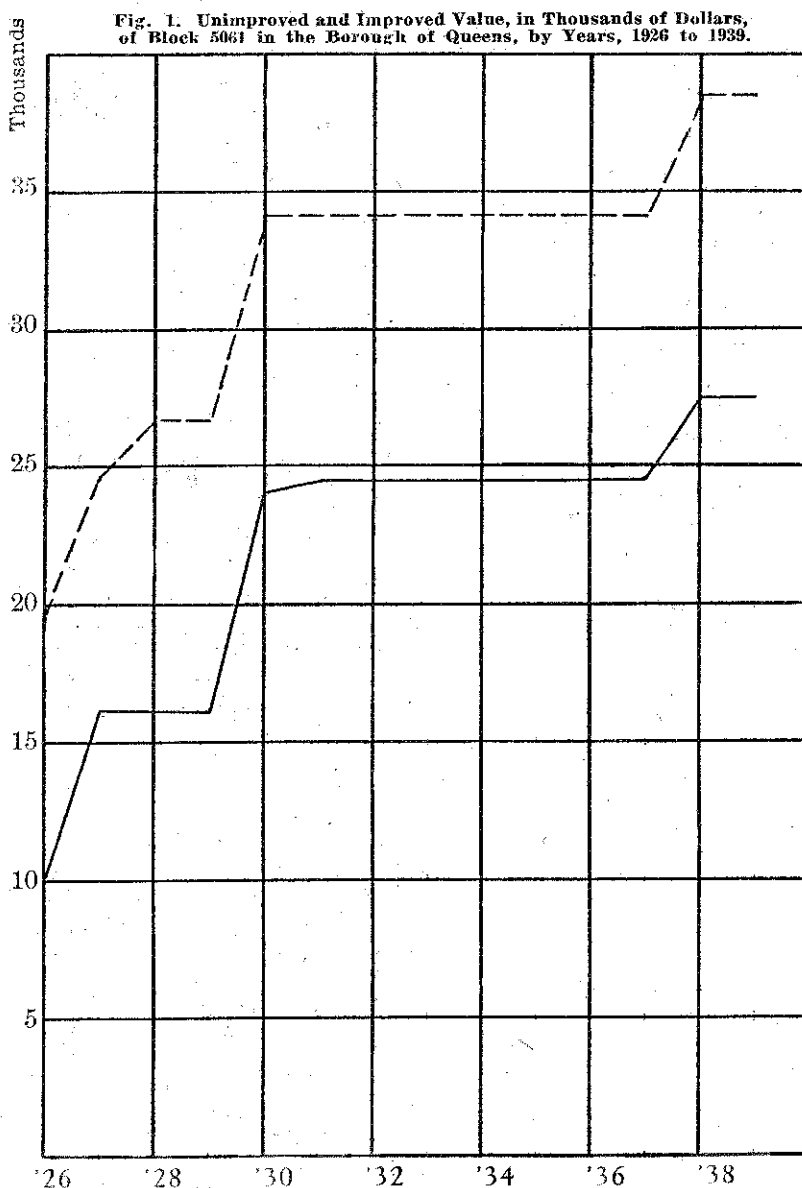
By M. Fixel and M. Pfeffer

Previous articles in this series spoke in general terms of rising land values in and around the New York World's Fair area. In this article it is proposed to illustrate, by means of three specific block studies, the actual rise. The data for the material presented here were taken from "The Annual Record of Assessed Valuation of Real Estate" (Borough of Queens).

The interested reader may refer to this source for more detailed information.

Let us consider, as our first illustration, Block 5061—the number assigned by the Tax Department of the City of New York to the block between Sanford and Forty-First Avenues, Fuller Place and DeLong Street. Opposite the pavilions of Portugal and Yugoslavia, this small block may be taken as an example

of an ordinary rise of real estate values in the Fair vicinity. Fig. 1 discloses two sharp advances. The first, probably due to the natural expansion of the city and the speculative fervor of the boom period; the second may be attributed directly to the Fair. In addition, it will be noted that "real estate" values, indicated by the broken line, parallel to a remarkable degree land values—the solid line.



A block sharply in contrast to this one is 2163 (between Horace Harding Blvd. and 62 Dr. and 111 and 112 Streets); it is unimproved land, its initial rise was not as great, and its later rise was far more rapid. The sharp increase of about 475 per cent over 1937 may be explained, in part, by the following considerations.

1. The regulation, grading and paving of Horace Harding Boulevard.
2. The similar improvement of Grand Central Parkway.
3. The grading of the block by a filling of six to eight feet.

It will be noted, then, that this ex-

traordinary increment is a direct result of a capital investment in social service.

Our last example, Block 2159, is bounded by Horace Harding Blvd. and 62 Dr. and 108 and 119 Streets. The assessed valuation of this piece of land, which is also unimproved, is shown in Fig. 3. The small fall in value which occurred in 1938 may puzzle the reader, but it is readily explainable. What occurred may be accounted for in the reduction of the size of the block by a little over 20 per cent due to the extension of Saultell Street. The resulting drop nevertheless is indicative of a real rise

in value since the drop was less than 25 per cent. Furthermore, it will be seen that the smaller block of 1939 is worth more than the larger block of 1937.

It must not be thought that the three blocks which have been examined are similar in every respect to all the surrounding land. Indeed, there are probably as many variations as there are blocks. The generalization which should be drawn is that while there has been a general rise in values, it cannot be accurately determined, upon that basis alone, how each individual parcel, lot or block, specifically, was affected. Each piece of land having somewhat individual characteristics demands individual analysis.

The effect of enterprise and of social improvements on land values is generally recognized. But these graphs, showing the stupendous rise in land used for the Fair demonstrate to what extent human ingenuity is reflected in rent, to the economic advantage of the land speculator.

## Canned Nationalism

When a housewife goes to market she buys where she can get the most, in quality and quantity, for the family's fund. When Uncle Sam goes to market he brings the citizens' money, and the citizens should expect him to get the most for it.

Yet, when President Roosevelt OK'd the Navy Department's purchase of Argentine canned beef because it was better and cheaper than the American canned beef (the foreign bid was sixteen cents as against the American canners' twenty-four cents) the landlords' shibboleth of "Eat American" was raised by the vested interests in the American cattle country, and echoed by their satellites in Congress. One wonders whether these men were elected to represent the paying or the collecting citizens of America.

## From a Farmer's Wife

Lesson 2 — Ques. 16 —

Q. Do we live on current or past production?

Ans. Past, my coat is 20 years old.

lars, of Block  
26 to 1939.

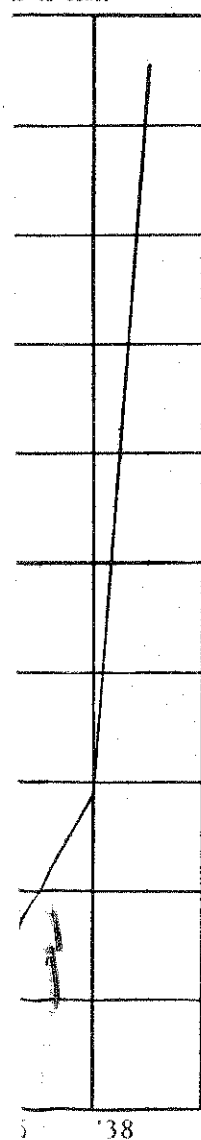
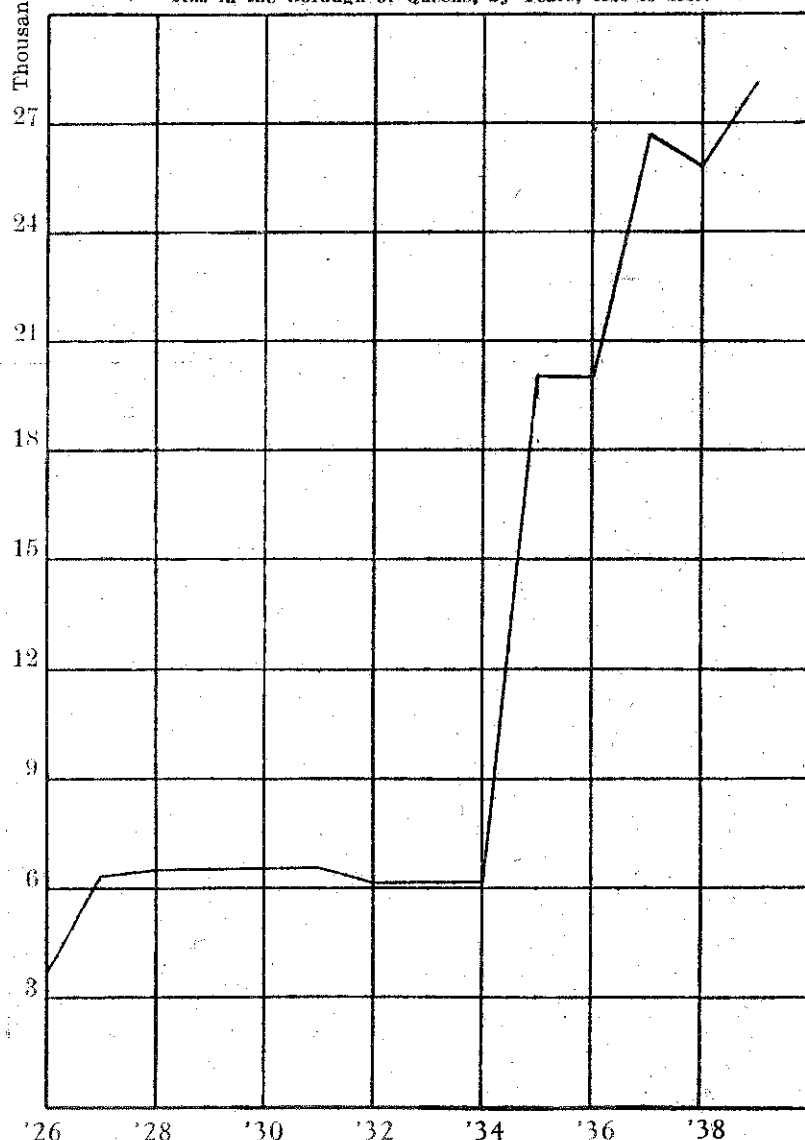


Fig. 3. Unimproved Value, in Thousands of Dollars, of Block 2159 in the Borough of Queens, by Years, 1926 to 1939.



# The Right To Work

HENRY GEORGE

The recent controversy in our coal fields makes the reprint of this article, which appeared in the *Single Tax Courier*, June 14, 1894, quite timely. That in over a half century our labor problem is as acute as ever merely indicates that our methods of approach have been inefficient, and that only by applying fundamental principles, as enunciated by Henry George, can we permanently solve this basic problem.



The right to work, involving as it does the right to life and the right of property, is indeed a fundamental right, which it is the first duty of government to protect. That this right is being violated by the coal miners in half a dozen states, who are forcibly preventing the working of mines by men willing to work for less wages than they themselves demand, is true. But is it the whole truth? Is the illegal violence of these striking miners the only, or the first, violation of the right to work? Will the right to work be really vindicated when "law and order" has been restored by clubs and machine guns, and the mine operators are free to set to work whoever is willing to take what wages they offer?

This is a question which concerns not merely the coal miners, but all labor organizations, for the methods by which the coal miners are striving to keep up their wages are but carrying to the point of violence methods which all labor organizations must employ. Every strike and every threat of strike depends for its efficacy upon the power of preventing from working those who are willing to work. This gone and the power of organized labor is gone.

"Every man who is willing to work has a right to work." This is true—as true of the "scab," the "blackleg," the "knobstick," as of any member of a labor union. And that no one shall be compelled to work against his will (save as punishment for crime), and its correlative, that no one shall be prevented from working when he is willing to work, is an essential principle of liberty.

How then is it that such great bodies of workmen as are engaged in these miners' strikes are willing to incur danger and defy law in violating the right of labor, and that so far from workmen in other trades feeling wronged by this, the general feeling of workmen throughout the country, even in occupations directly injured by the cessation of the supply of coal, is that of sympathy with the strikers?

\* \* \*

The truth—a truth ignored by those who only denounce violations of the right to work when committed by strikes and strikers—is that beneath the illegal wrongs that these striking miners are committing are legal wrongs from which they suffer; and that it is violation of their own right to work which impels them to blind efforts to violate the right of others.

The true reading of the principle invoked against the striking miners is this: Every one has a right to go to work for himself; hence, no man has a right to prevent others from going to work. But how can these coal miners go to work for themselves? Coal cannot be mined in the air or on the high road. To mine coal, the coal miner must have access to coal land. All around the districts where coal miners are striking there is an abundance of coal—of coal land which no one is using. If the coal miners were free to use this

unused coal land there would be no strikes, no violence. But they are not. Though there is unused coal land all about them, it is all monopolized, treated by our laws as the private property of those who have legally appropriated it, and who will not permit it to be used unless they are paid, in royalty or purchase price, a heavy tribute for their permission to apply labor to what God provided for the use of labor long before man came. Hence, so long as this monopoly exists (and its pressure tends constantly to increase, by the steady increase in the value of coal land) coal miners have no way to prevent the lowering of their wages but to stop work themselves, and, to make that efficacious, must prevent others from working in their place.

And the operator against whom the miners strive to direct their pressure is also under compulsion. For the operator as operator cannot pay the coal miner what his labor is really worth, since he must pay to the coal owner, for the privilege of taking the coal from the veins, a price in many cases as much as he pays for labor. Behind the struggle of endurance between coal miner and coal operator lies the coal owner. The miner must eat or he will starve. The machinery and buildings of the operator will rust and decay. But the veins of coal! They do not eat; they do not rust and decay. And, secure in his legal possession of God's bounty to men, the land owner commands the situation.

\* \* \*

Here, in brief, is the heart of the labor problem—the primary wrong that lies at the bottom of the blind and bitter struggle that is everywhere going on. It is as true of all production as it is of coal mining, that it cannot be carried on without the use of land. For all human production, in minutest part, is resolvable at last into the expenditure of labor on land. Production is not the creating of anything; it is the mere changing in form, place or combination of matters and forces already existing, the ownership of which is involved in the ownership of land.

"Every man who is willing to work has a right to work." How this principle is mocked in present social conditions! In this country of abounding unused opportunities for work, and during a time of peace, millions of men willing to work have found it impossible to exert the right to work, and men only anxious to work are today suffering and starving.

\* \* \*

The reason is clear. That every man who is willing to work has a right to work, means that the right to work is equal; and that the right to work is equal, means that the right to the use of land is equal. This principle we have ignored. We have made the right to the use of the land, and consequently, the right to work, the special privilege of some, who are thus enabled to compel others to pay them for the exercise of the right to work. So labor, the producer of all wealth, is made a beggar; and monopolists grow rich while laborers become poor and helpless.

\* \* \*

The method of the strike is essentially wrong, both in principle and in policy. The true way to improve the condition of labor is not by denying the natural right of any one, but by asserting the natural rights of all. Laborers under present conditions are weak in endurance, which is called for in the strike; but they are strong in votes, which is the way by which equality of rights is to be secured. And while in the strike they are soon forced into opposition to a self-evident principle of justice, they would in the other way have its power in their favor. The ownership of land is the key of the labor question. Let all taxes be removed from labor and the products of labor, and let the owners of land be made to pay the community for the privilege of holding valuable land, whether they use it or not, by the taxation of land values irrespective of use or improvement, and the power to monopolize land would be gone. Wages all over the country would rise to their natural rate, the full earnings of the laborer, and we should no more hear of men willing to work, but unable to find work.



# Nothing from Nothing Leaves --- ?

By Janet Rankin Aiken

Some years ago a friend of mine was telling me how much he disliked the very sound of the word **compromise**. "Suppose I want to live in Boston and my wife wants to live in New York," he illustrated. "Well—shall we compromise by living in Bridgeport?"

The Graded Tax Bills which for about a year have been before the New York City Council, and which received a public hearing on Thursday, April 20, 1939, were certainly a compromise with principle. They provided that over a ten-year period city taxes should gradually be shifted from improvements to land values, until finally 90 per cent of the municipal taxation should be on land. It was calculated that these laws would result ultimately in the confiscation by the city, for purposes of taxation, of approximately sixty per cent of ground rent, leaving forty per cent available for the land speculators to play with. At present the city collects perhaps a third of the ground rent.

The real estate interests of the city obviously preferred the present taxation compromise to the one embodied in the Belous-Quinn Graded Tax Bills. Their attitude reflected the fact that Manhattan Island is largely underdeveloped, the land being worth more than the buildings resting on it, in the aggregate. And so, these interests presented frank and active opposition to the bills, under the leadership of Mr. George L. Allen, representing the Real Estate Boards of Manhattan, Bronx, Brooklyn, Queens, and Richmond Boroughs. If the arguments of Mr. Allen and his associates (as I shall later suggest) involved occasional contradictions, still they obviously impressed the Finance Committee of the City Council, which under the chairmanship of Joseph Kinsley sat at the public hearing on the bills.

The city newspapers followed the lead of the Real Estate Boards in their general attitude concerning the bills. What little publicity they gave

to the hearing was mainly advance publicity of an editorial character, pointing out alleged defects in the proposed taxation plan. The traditional red herring was dragged across the trail in the shape of the statement that the public utility companies would be the main beneficiaries under the proposed changes, since the value of their buildings and improvements materially exceeds the value of the land they own. A typical newspaper comment was that of the New York *Sun* of Thursday, April 20, which began its news story, "The old Henry George single tax, a pet with theorists who like to dabble with the fourth dimension, got a severe kicking around at a meeting before the Committee on Finance of the City Council today."

Favoring the bills, under the leadership of William Quasha, was a long list of representatives of civic organizations, including Walter Fairchild, Chairman of the Graded Tax Committee, William Jay Schieffelin, Chairman of the Citizens' Union, Harold Buttenheim, Editor of the *American City*, Helen Hanning, Vice-President of the Community Councils, and numerous others.

The arguments given in favor of the Belous-Quinn Graded Tax Bills were their demonstrable effects on industry, housing, unemployment, and poverty. Through untaxing buildings and improvements, it was urged, building would be encouraged. Old structures on valuable land would be demolished to make way for modern buildings. Vacant land would be improved, with consequent increase of employment and betterment of living conditions for the mass of the people. Such a tax, it was contended, met all the requirements of equity, was easily collected, and would function to the furtherance of social progress.

The opponents of the bills warned the councilmen that the effect would be materially to decrease the price of land in the city, but in spite of this fact they insisted there would be even greater crowding, since landlords, to avoid the paying of the

higher land taxes, would use as small an area as possible for building, thus denying light and air to unfortunate tenants. In spite of lowered land prices also, the bills' opponents predicted that Federal housing projects would cost much more, since land owners would be compelled to recoup themselves for the heavier taxes they had been compelled to pay. And finally, these real estate experts complained, increased land taxation would be inequitable, since it could not be borne by the present holders of vacant land yielding no revenue but held in the hope of a speculative rise in value. Such people would tend to be wiped out.

Rents in lower-price apartments, it was alleged, would have to be raised \$2.25 per room per month, since most of these apartments are located in practically worthless buildings, all the value lying in the land. And on the other hand, the utility companies would benefit as before mentioned. It was notable that no representative of a public utility company appeared in favor of the bills which allegedly would so benefit them. And no tenant appeared to protest the threat of a rent rise under a tax which all economists agree cannot be passed on to the consumer.

There was a hearty burst of applause at the mention of the name of Henry George, but this was quickly suppressed by the chairman.

The hearing on the Belous-Quinn Graded Tax Bills was brief, since it had to be fitted into an afternoon with another hearing to consider the laying of further sales taxes, possibly on food, to derive revenue for necessary civic purposes. At this second hearing Mr. Lancaster M. Greene, trustee of the HGSSS, spoke, deprecating the possible effect of such a tax on food as discouraging further the consumption of this necessity of life.

Those Georgists who advocate staying aloof from politics seem to have one great advantage over their politically-minded brethren, in that

# The Only American Economist

The familiar adage to the effect that a prophet is not without honor except in his own country is strikingly apropos in connection with statements made in almost every paragraph of the article in the January issue of FORTUNE bearing the title "Business-and-Government."

The author deplores what he considers the fact that the American culture has not developed an economist—"a native Adam Smith—a man of great theoretical stature whose analyses and recommendations would be characteristic not only of his times but also of his soil." The only American economist who fits this description is Henry George whose philosophy of Freedom is

(from page sixteen)

they avoid any sense of disappointment or discouragement over such rebuffs as the hearing on the Belous-Quinn Graded Tax Bills represented. Moreover, such Georgists avoid all possible temptation to that political-mindedness which sees political accomplishment as a trading of favors and advantages, with perhaps a somewhat lessening regard for the well-being of humanity in general. They keep clear of the defeatist attitude which tends to exaggerate the difficulties in the way of social progress and to forget that a truly educated public can have what it wants and all it wants whenever it makes the demand.

The fate of the Belous-Quinn Graded Tax Bills may conceivably be salutary, in that long before their ten-year course would have been run, an aroused public opinion may have asked for and got a change which will divert to public purposes not a third or three-fifths but all of the returns from land monopoly in our city. With the phenomenal growth and spread of George's teachings, such a possibility is by no means visionary. Once let society become aware that taxes may be made unnecessary and obsolete by the confiscation of ground rent, and no compromise will be necessary or even possible. The problem of poverty will have been solved.

Upon receipt of this letter from Donald MacDonald, the editor of "Fortune" wired for permission to print, and in the ensuing telephone conversation advised Mr. MacDonald that this letter greatly influenced the editorial staff in its decision to institute a "letters to the Editor" column. Something to say, well-said, will find listeners.

America's most important contribution to the world's culture; but the author of the article dismisses George with a wave of the hand, and apparently finds himself in sympathy with Veblen and his proposed socialism governed by engineer-technicians.

Let us consider how completely George fits the picture as sketched above and how poorly the Veblen proposals, which are a mere variant of the Marxian analysis, do. Henry George stands today as the most widely read economist among the English-speaking peoples. His works sell all over the world far in excess of the works of any other economist, Adam Smith not excepted. Veblen does not even enter this picture. It may amaze the author to know that in New York City alone fifteen thousand copies of Henry George's works were sold last year ... Disregarding Russia, where *Das Kapital* is of necessity a part of the domestic equipment, the works of Karl Marx are not comparable so far as circulation goes. Further, *Das Kapital*, so seldom actually read, generally functions like the heavily cultural books in a doctor's ante-room to lend an appearance of profundity and weight where such qualities are really nonexistent. Henry George's works have been translated into every language.

There is no corner of the earth where the "Progress and Poverty literature" has not spawned resist-

ance to economic injustice. ... The motivation of Sun Yat Sen—the philosophy that governed the Chinese Communist armies as they made their unparalleled march across China, and in the occupied areas abolished taxation of wealth and derived their revenue from taxation of land-holdings, derives from Henry George. In the Scandinavian countries and particularly in Denmark the Georgian philosophy of freedom and the direct economic approach as well, are at the root of the breaking up of the large estates and the institution on the basis of a free earth of the system of voluntary coöperation. In Denmark the reading of *Progress and Poverty* is compulsory in the high schools. There are no taxes in Denmark on homes up to \$2,500 in value ...

Although in the United States, progress in the fiscal proposals of George has been slow, owing to the barriers of state and national constitutions, the movement here is very vigorous ... In New York City the philosophy of Henry George is actively taught in the Henry George School of Social Science by a devoted staff of sixty-five instructors. At the end of the last fall semester the school graduated eight hundred students of the Progress and Poverty Course. The school maintains a correspondence course—being conducted all over the United States and Canada. In England, Scotland, and Wales there are a number of classes. The president of this school is the noted John Dewey, Dean of American pragmatic philosophers. Says Dr. Dewey: "It would require less than the fingers of the two hands to enumerate those who, from Plato down, rank with Henry George among the world's great social philosophers." ...

In regard to a distinctive American philosopher, characteristic not only of his times but of his soil, the picture fits George so accurately that it would be recognized by a blind man if he ever knew George. The fundamental characteristic be-



hind all that is peculiarly American in our national life, has been, not as the Editor infers—our great industrial development—but rather our past history of free access to natural resources. From this root cause has sprung not only our democratic institutions but also our inventive genius and the development of labor-saving devices. . . . George, witnessing in the gold-mining days of California the development of society from the primitive to the modern, had a tremendous advantage over economists in other times and places who had to reconstruct in their imaginations—and in a society of which they were a part—the evolution of the modern economic structure.

George had all this before his eyes. Contrast his position with that of Marx. Small wonder that the German, living in the midst of a highly organized, centralized, bureaucratic society, developed an involved philosophy reeking with error, full of the intricacies and mysticism of the German metaphysician . . . Marx simply made men slaves of the State. Then he uneasily rationalized his position by assuming that the State would automatically, mysteriously, and completely disappear . . . The vicious variants (of his philosophy) are Fascism, Communism, and the hundred and one proposals involving a deified State—including Veblen's government by supertechnicians, dead to the implications of the individual human equation. Well-intentioned Marx has caused and is causing more misery, slavery, and oppression than any philosopher that ever lived.

George saw freedom, and freedom only, as the necessary element in the redemption of mankind . . . Where (he) saw a defect he always traced it to an infringement of liberty by the State . . . His philosophy had its roots in America in free access to natural resources; his whole background and all his conclusions, both fiscal and philosophical, are peculiarly American. There is no economist, either here or abroad, who more accurately reflects his times, including the present, and the soil of his country.

DONALD MacDONALD.

## "MORAL RE-ARMAMENT"—AN ANCIENT TRICK

An ancient soporific, under a modern label, is being used again by our monopolists to lull us into acceptance of an intolerable economic condition.

"Moral re-armament"—so widely advertised with apparently unlimited funds—is merely the oft-exploded theory that to make this a better world to live in we must change human nature through individual religion.

No one can quarrel with the seeking of spiritual gratifications through faith. Religion has its proper place in the cosmos of the individual. But, it cannot replace the pangs of hunger, nor can it keep warm the dingy hovels in which millions of God's children are forced to live.

When we try to describe the "human nature" which our Oxfordians (and our Marxists) say must be changed, we find it a very elusive quantity. By observation of our own reactions and those of our acquaintances we find only two common denominators to man: first, that he seeks to satisfy his desires with the least effort, and, second, that his desires are unlimited.

Then we find that these two postulates of human action find their expression in the land. Every desire is gratified by human exertion applied to natural resources. And we find that where access to these natural resources is unrestrained, not only are the necessities of life easily obtained, but man begins to flower into almost a creative being. He flourishes materially, he develops culturally, he aspires spiritually—he becomes a man "in the likeness of God." He is as big as his environment will permit him to be. He is kind, generous, and in all respects a pretty decent sort.

But, rob him of the ability to work, take from him that which he produces, deprive him of the right to live—and he becomes a beast indeed. In his desire merely to exist he cheats, he lies, and he covets his neighbor's goods. The same "human nature" reacts differently to the new environment.

That's all we seem to have discovered about "human nature." It is the mirror of the social order in which it finds itself. And so, it seems, it was designed to be. For, if God intended man to find his satisfactions through prayer, why did He provide the fields rich in food values, the mines laden with useful minerals, the waters plentiful with fish? No child is born with a prayer book. But, from the moment we open our eyes in this world our sustenance is provided for by the bounties of nature.

We have not heeded God's obvious plan. We have given His earth—the one He provided for all of us—to our monopolists, who thereby confiscate all we produce save what we need for a bare living. And when in our blind ignorance we rebel against the injustice, they attempt to soothe us—not with the food and raiment they have robbed us of, but with prayer. "Moral re-armament" is blasphemy.

## State Senator Learns

Gentlemen: This will acknowledge receipt of your card reminding me of the uncompleted lessons in the Henry George Course. I am proud to say that I am as strong for the course as ever, and really, more so. It is the only course of study that goes to the very cause of Progress on the one hand, and Poverty on the other. I was so elated that I had even completed the first five lessons before I went to the State Senate of Montana this last January, where I served for 60 days as State Senator from my County. It stood me well in hand many times on the Senate floor, in arguments and radio talks.

I have been very busy since arriving home, but I will get to work on the remaining five lessons and send them in as soon as possible. Thanking you for jogging my mind about the matter, and urging you to extend the work as rapidly as possible, I am, Sincerely yours, G. G. Davis, Montana.

# Joseph Dana Miller

The death of Joseph Dana Miller removes another of the old guard of pioneer advocates of the economic philosophy of Henry George, one who stuck to it and did good work for it until the end. My acquaintance with him began in 1894, shortly after I had been goaded into reading "Progress and Poverty," found it all that had been claimed for it, and joined the old Manhattan Single Tax Club, then on East 27th Street, not far from the present site of the Henry George School of Social Science. He was even then a veteran in the movement, and I soon learned to respect his judgment on the different phases of our philosophy. It was in this Club that I also made the acquaintance of Henry George in the closing year of his life. Mr. Miller was one of his intimates, as was also Oscar Geiger, founder of our School, who was then little more than a boy in years, though he had an old head for one so young.

Mr. Miller had already made a reputation as a writer, critic and poet before he made the acquaintance of Henry George and became associated with him in his campaigns for social reform. He assisted him in his fight for ballot reform which resulted in the secret ballot in nearly all parts of the country.

After the death of Henry George in the New York Mayoralty campaign in 1897, Mr. Miller took a more prominent place in our leadership. In 1901, he founded "The Single Tax Review," later changing its name to

"Land and Freedom." This magazine acquired an international circulation for it has been an authoritative exponent of the philosophy of economic liberty. In 1917, he edited and published the "Single Tax Yearbook," which is an encyclopedia of information regarding the movement up to that time and will be invaluable to future historians.

During the past half century or more he has contributed many articles on economics and current business developments to various magazines and sociological periodicals here and abroad. He was also a poet of note, for his poems were frequently to be found in our foremost magazines. He published two volumes of his poems, one in 1894, "Verses from a Vagrant Muse," and, more recently, "Thirty Years of Verse Making." He is credited with being the discoverer of Edwin Markham's "The Man With The Hoe" and introducing that western poet to the East.

A close friend and intimate of Oscar Geiger throughout these activities, he was one of the incorporators of the Henry George School of Social Science. He was also one of the original trustees of the Robert Schalkenbach Foundation.

May I quote from my remarks at his funeral services in Jersey City on May 10?

"We have lost a friend, a brother, a wise counselor, a man of renown, but we are fortunate in having had him so long. He was one of those

to whom were given the vision of the Promised Land, the Civilization that will be when men have grown up to mental and spiritual maturity, but were not permitted to enter it.

"For more than half a century he cherished that vision, which will be realized when men have learned the deep significance of Abraham Lincoln's prayer at Gettysburg—'That this nation, under God, shall have a new birth of freedom,' the freedom to earn an honest livelihood, a freedom in which every man may sit under his own vine and fig tree with none to vex him and make him afraid,'—and sought to show the vision to others.

"Whatever may be one's lot in life, to have had this vision of the civilization that will be when Freedom truly reigns over the world, and to have done somewhat to bring that civilization nearer, is something to make life worth living, and to none was the vision clearer than to Joseph Dana Miller, who did what he could in his day to hasten that day, when 'Thy will shall be done on earth as it is in heaven.'

"My grief at his passing is born of a deep sense of personal loss, but it is tempered by a feeling of exaltation and thankfulness that I was privileged to know him over a period of forty-five years, and can say 'He was my friend.' And I have an abiding faith that I shall see him again, face to face, for our social philosophy long ago revived a faith that was dead."

STEPHEN BELL.

## It Isn't Taxes

The first panic in this country occurred in 1792. There were major depressions in 1819, 1837, 1857, 1873, 1893. There were "hard times" in between. There has been poverty always.

This fact has been overlooked by our stupid business men and our greedy monopolists who rail against

the present tax policy or the crazy machinations of the New Deal.

But, in 1893 there was no New Deal. In 1873 our per capita tax was much less than it is today. Our national debt was in 1857 comparatively insignificant. Mr. Roosevelt can hardly be blamed for the unemployment of 1837, nor the cessation of production in 1819.

Returning to the present era, was it taxation that caused the collapse

in 1929? Hardly. Our spending policy was started in 1932—with the blessing of our business men and our monopolists—to pull us out of the mess.

The croakings of these "big shots" sound silly when we consider these historic facts. It isn't taxes or the New Deal that caused the depression—although its continuance may be largely ascribed to them. It's something else.

## The BOOK TRAIL

SIDNEY J. ABELSON

When I first contemplated in my mind's eye the vacant space on page 20, or thereabouts, in *The Freeman*, my intention was to fill it, partially at least, with reflections on the virtues of a little book entitled "Great Leaders in Human Progress" (By E. H. Griggs. The Bobbs-Merrill Co. \$1.50.) I am a hero-worshipper in a way. Few things please me more than contemplation of the accomplishments of a great man, though I have found in times gone by that, as with the case of Apollo, who was "a beautiful god to behold, a bitter god to follow," it is never wise to take great men for granted. Nevertheless, I still approach biography with prelibation and expectancy.

Such an attitude perhaps puts too much of a burden upon biographers; however, in the present case I am confident no critical standards are being strained beyond reason—Mr. Griggs' "Great Leaders in Human Progress" really is a thin work which falls far short of its subject matter. The thumb-nail "inspirational" biography had its prototype in the "Little Journeys" of Elbert Hubbard; but these were in vogue a long time ago, and no one since has been able to recapture their mellifluous flavor. Come to think of it, why should anyone try?

\* \* \*

Mr. Griggs' book brought to mind that ancient question: do the times make the man, or does the man make the times? Did Socrates, Marcus Aurelius, Savonarola, Spinoza, Voltaire and other "Great Leaders" make the world in which we live? Or were they themselves the products of world movements which used them as mere pawns to work out a larger destiny?

This is no idle question to be bracketed with the proverbial conundrum "which came first, the chicken or the egg?"; for in its answer lies a motivating force of great political and social significance. The Marxists would have us believe that a force far more powerful than either the demoniacal or aspirational capacities of man is leading us inexorably to a Communist State; and that at the appropriate times great men are brought forth to work out the will of this foreordination. Generally speaking, teleological doctrines of this sort do not find much scientific acceptance.

Be that as it may (and therein lies a long, long story), the Marxian doctrine is opposed *ab ovo usque ad mala* by our old friend, the quondam dyspeptic and sometimes wondrous-wise Carlyle. Perhaps you will recall these lines from "On Heroes and Hero-Worship": "... the history of what man has accomplished in this world, is at bottom the history of the Great Men who have worked here. They were the leaders of men, these great ones; the modellers, patterns, and in a wide sense creators, of whatsoever the general mass of men contrived to do or attain: all things that we see standing accomplished in the world are the practical realization and embodiment, of thoughts that dwelt in the Great Men sent into the world: the soul of the whole world's history, it may justly be considered, were the history of these."

Strong words! Yet not too strong for Carlyle. Here was a man who relished his conclusions and who, apparently, could not resist the temptation to revel in his power over the written word.

But if we take Carlyle with a grain of salt, it is only fitting at the same time to seek for the soul of truth in Marx. That is, it were wise not to allow Carlyle's engaging self-assurance to prove too seductive, nor Marx's cocksureness to become too forbidding.

The happy medium, and possibly the simple truth is that the world is, in its inscrutable nature, attempting to work toward a natural goal; which goal seems to be supreme abundance and extreme heterogeneity; and that in the course of events great men appear to fulfill special roles in this natural process. However, the same as there are blights in nature which often at a single blow, destroy years of careful construction, so in the world of men there are Hitlers, Stalins and Mussolinis who destroy, distort and hinder.

Fortunately there are also Georgists—not many of them, of course, but enough to shed light and spread inspiration, to the end that one may reasonably hope for a happy outcome of the present world imbroglio.

\* \* \*

Socrates believed that virtue consisted of knowledge—that is, knowledge of what is right. The evil that men do is attributable, according to his doctrine, to their lack of understanding of what is right and their consequent failure to distinguish between good and its opposite.

Perhaps you have noticed that Henry George, too, expressed a great faith in the power of knowledge. "Until there be correct thought," he said, "there cannot be right action; and when there is correct thought, right action will follow." His optimism is shared by a good many present day Georgists—and also by a number of schismatic Marxist groups, as well as by innumerable bodies of "idealists." The colloquial phrase, "Believe me!" is a serious imperative in every social appeal, for each reformer believes,

in the spirit of Max Stirner, that "my truth is the truth!"

You will find no yardstick in the U. S. Bureau of Standards by which to measure and establish the acceptability of ideas or "correct thoughts," and so, until such a yardstick is forthcoming, social movements will have to stake their final success on more aggressive efforts than the development of slow educational processes.

Which leads me, quite deviously, to a little book entitled "Hunger and Work" (by Jurgen Kuczynski, International Publishers, \$1.50), for in this volume the author adduces statistics which prove, statistically, that millions of members of the "working class" in Great Britain are undernourished (the fact did not have to be proved realistically) and deduces, not too connectedly, that the years to come may bring "progress"—"under pressure of mass action in a Popular Front."

Of course anyone with half an eye open will recognize in such phraseology the trade mark of the Communist "line," and since the Communist movement has become predominantly political (as opposed to philosophic), it is doing but simple justice to make exceptional allowances for the language of the hustings. But once we have done that, it is only sensible to attempt a penetration into deeper principles. What is the meaning of this undernourishment of Englishmen? How does Mr. Kuczynski, who is introduced to his readers as "a noted Marxian economist," explain this contradiction: an increased productivity, which he is careful to point out, and a decreased relative reward to labor?

Karl Marx would turn in his grave could he but read the author's answer! Indeed, the patriarch of "scientific" socialism would take on the appearance of a whirling dervish were he able to note the innumerable conflicting interpretations bespoken in his name.

I quote Mr. Kuczynski: "Unemployment was low as long as society was ruled by progressive forces. (Sic!) These progressive forces were represented, during the greater part of the nineteenth century by pure capitalist bourgeois society. To-day the progressive forces are represented by labor and still a considerable part of the bourgeoisie, chiefly the petty and middle bourgeoisie. There is no doubt that a Government corresponding in its composition and its backing, let us say to the first Blum Government, i.e. to the first Popular Front Government in France, backed by wage workers, the blackcoat workers, the small farmers, tradesmen, craftsmen, a considerable part of the intelligentsia, and a fair sprinkling of the middle bourgeoisie, could reduce unemployment to as low a level as prevailed usually in the nineteenth century."

Books like "Hunger and Work" prove graphically how common it is to interpret significant facts insignificantly.

## NEWS OF THE CRUSADE FOR ECONOMIC ENLIGHTENMENT

Edited by Margery Warriner

**Coming to the Fair From Everywhere  
Centenary Will Be Well Attended**

LONDON, England.—Arthur Madsen, Secretary of the International Union for Land Value Taxation, reports that among the European contingent who will attend the Henry George Centenary in New York, August 30 to September 2, will be the following:

Sam Meyer, of Paris, for many years leader of the movement in France; editor of "Terre et Liberté." Also, Mme Sam Meyer.—Jakob E. Lange, doyen of the Danish movement, translator of "Progress and Poverty," writer of many books on political economy, author of a Life of Henry George. Prominent in development of Danish People's High School, in the curriculum of which is a course on Henry George.—F. C. R. Douglas, born in Can-

ada, active in the English Georgist movement since 1910. Solicitor, Mayor of Battersea. Member of London County Council, in which he has promoted the bill for land value taxation.—R. R. Stokes, M.P., successful business man, and teacher in the Henry George School of Social Science.—Bue Bjorner, of Denmark, President of the International Union for Land Value Taxation; Mrs. Bue Bjorner, and Mrs. Sigve Bjorner.—H. Kolthek, leader of the Georgist movement in Holland, of whom more news in other items.—Ashley Mitchell, George Green, Rev. Leyton Richards, and other British members of the International Union. And as we go to press we learn that Josiah Wedgwood, M. P., one of the foremost Georgist orators, plans to attend.

**Church Class Closes**

RIVERDALE, N. Y.—The class which has been meeting under the instruction of R. Joseph Manfrini in the Church House of the Riverdale Presbyterian Church came to an end after thirteen weeks of study on May 3, when thirteen certificates were distributed to those students who had completed the course in Fundamental Economics.

**Chicago Raises Fund**

CHICAGO—The contributions and pledges made at the winter commencement dinner of the Chicago Extension more than doubled the amount received at the autumn commencement. Max M. Korsniak, Master-in-Chancery of the Circuit Court of Cook County and treasurer of the Chicago Extension, offered to add 50% to all contributions from the rest of the meeting. At the commencement on April 13, the total came to \$673.05.

**Radio Recordings Available**

CHICAGO—Phonograph records and radio recordings are now being made of an address by John Z. White, 84-year Georgist lecturer, before the Henry George Fellowship on Tuesday, April 18. Phonograph records will be sold at a nominal price to cover the cost of production. Inquiries may be addressed to the HGSSS, Room 1208, 139 N. Clark St., Chicago.

**Long Island Forum**

JAMAICA, L. I.—A forum was held on May 26 by the Society for Long Island Georgists in the Auditorium of P. S. No. 109, 213th Street and 92nd Avenue, Queens Village. Speakers were: Grace Isabel Colbron and Spencer Heath. Claude R. Lewis, Jr., was Acting Chairman.

**Weekly Forums in Fall**

NEW YORK—H. Ellenoff, in charge of the monthly forums, announces the discontinuance of this feature of the School work during the summer. Beginning in October the Sunday forums will be held weekly.

**On Assessing Costs**

CHICAGO—The real estate section of the Chicago Daily News, April 29, gave a two column review of the 1939 edition of Olcott's Land Values Blue Book of Chicago. "Olcott's Blue Book" is the standby of all real estate men, bankers and even the courts when any question arises about the value of land in Chicago or its suburbs. It is prepared annually by George C. Olcott and a total staff of less than five persons.

The cost of this accurate appraisal of land values is but a pittance compared to the 1936 appropriation of \$1,290,000 for the Cook County Board of Assessors and Board of Appeals. Mr. Olcott told *The Freeman* this month. If government were restricted to land value taxation, Mr. Olcott estimated that \$50,000 would be a liberal amount to cover all costs of the assessing department.

**Chicago Teachers Meet**

CHICAGO—The monthly teachers' meeting of the Chicago Extension was held at the residence of Samuel M. Levin, Saturday, April 29. John A. Harney instructor at the Hyde Park Neighborhood Club, read from Father John A. Ryan's "Distributive Justice" and led a critical discussion of its treatment of Henry George's tenets. The next teachers' meeting will be held at the home of J. Edward Jones, 12 S. Springfield Ave., Saturday evening, May 27.

**Big Summer Session**

NEW YORK—25,000 announcements of the Summer classes are being prepared for mailing June 1. Classes in Fundamental Economics will be conducted from Monday to Thursday, at 8 to 5 in the afternoon, and at 7 to 9 in the evening. Special classes for high school and college students will be conducted in the mornings at 10 to 12 and in the afternoon at 1 to 3. These classes will cover the course in six weeks, two sessions each week.

**Tideman Reports**

CHICAGO, Ill.—Henry L. T. Tideman, director of the Chicago Extension, entertained 16 graduates of the public utilities class in fundamental economics at his home on May 3. The class was enrolled by Otto Baumann from among his associates at the Peoples Gas Light and Coke Company. A new public utilities class is being organized.

Ten graduates of Mr. Tideman's advanced class celebrated the completion of forty weeks of study at a dinner party in the Central YMCA, May 22. This class completed the study of the four main books by Henry George. Several are already teaching.

New spring classes which started during the week of April 17 have over 225 studying Progress and Poverty, 80 in the advanced courses. Correspondence course inquiries totalled 191.

**"Brick" Campaign Successful**

NEW YORK—Around 500 guests attended the HGSSS entertainment and dance on April 22 at the Pahn Garden, 306 W. 52nd Street. Arrangements for the entertainment were under the supervision of M. B. Thomson who acted as Prologue in spite of continual interruptions by a prestidigitator and miracle man, Arthur LeRoy, who eventually succeeded in confusing the audience of Poverty-in-the-Midst-of-Plenty mystery solvers. The program included Glee Club selections, a professional dance team, and Bert Rose's Band provided incidental music and accompaniment. M. B. Thomson sang "Una Furtiva Lagrima," "Old Man River" and "Southern Serenade," a composition of his own.

After the entertainment, the floor was cleared for general dancing. At midnight, Mrs. Anna George De Mille with the aid of the Committee, drew from a revolving drum the ticket making George Roes, c/o Horan Company, 41 West 28th Street, the winner of the Plymouth car for which students and friends of the School had been selling "bricks" for the Building Fund. Burt Levey, Chairman of the Committee, reports that after deduction of all expenses, the sum of \$1,800 was credited to the HGSSS Building Fund.



## Who's Who in Georgism



In the spring of 1899 a student at Lanesborough Academy in Troy, N. Y., came across a paper-bound copy of "Progress and Poverty." He read it three times. Then he turned to "Protection or Free Trade." Henry George's references led him to read Mill's "Principles of Political Economy" and Spencer's "Principles of Sociology," which brought him to other writings by Mill and Spencer, as well as Henry George's "Science of Political Economy" and "A Perplexed Philosopher."

On such fare was Harry Gunnison Brown introduced to the study of political economy, to make him eventually America's foremost scholastic supporter of land value taxation.

Professor Brown was born in Troy, May 7, 1880, the son of Milton Peers Brown and Elizabeth H. Gunnison. After Lanesborough Academy he attended Williams College (A.B. 1904), Ohio State University (graduate work in economics), and Yale (Ph.D. 1909). He received an honorary L.H.D. from Williams in 1936.

His first teaching assignment in economics was at Yale in 1909. In 1915 he became assistant professor at the University of Missouri, professor in 1918. Since 1907 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, 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" and "The Economic Basis of Tax Reform." His "Significant Paragraphs from Progress and Poverty," with an introduction by Professor John Dewey, published by the Schalkenbach Foundation, has had wide circulation.

Professor Brown married Fleda Phillips of East Chatham, N. Y., in 1911. They have three children, a married daughter and two sons.

## Hartford Uses Radio

HARTFORD, Conn.—Allan R. Meyers, President of the Hartford Chapter of the Henry George Fellowship, reports that the four regular classes which opened on April 10 at 18 Asylum Street, started with an enrollment of fifty-three students. About forty others are taking the course at other locations under the instruction of Nathan Hillman. The enrollment is attributed to methods of advertising, which consisted of radio announcements spaced at various intervals on Station WHTT immediately following the program of the Washington News Commentator at 7 p.m.; full page story in the Hartford Courant Sunday Magazine Section detailing the courses offered by the School and giving a history of its aims and objects. Letters to the Peoples Forum and notices in the newspapers were also used in addition to sending out cards and distributing posters.

## Play Landlord's Game

ARLINGTON, Va.—The Landlord's Games, designed to popularize the principles of Henry George, is published by Parker Brothers. Mrs. Phillips, the inventor, was also the originator of Monopoly, the game which swept the country a few years ago.

## Prize Essay on George

ADELAIDE, S. Aus.—The Henry George League of South Australia invites entries for an essay competition on: HENRY GEORGE: The Man and His Message to Modern Youth. The essay must contain a minimum of 2,000 words, typed on one side of the paper. Each writer must adopt a nom-de-plume, which should be placed at the top of the first page of the essay. The essay must be accompanied by a sealed envelope bearing the nom-de-plume outside, the name and address of the writer within. Closing date is July 31, 1939. Address essays to: Henry George League of South Australia, George Parade, 11 Carrington Street, Adelaide, South Australia. Prizes: (in U. S. currency) approximately \$15.00, \$10.00, and \$5.00, for first, second and third respectively.

## Dayton Increases Staff

DAYTON, O.—Mildred Jensen reports that on May 3 fifteen graduates received diplomas for completing the course in Fundamental Economics and three have volunteered to teach classes next fall. W. J. H. Schutz spoke on "Towards a Solution of Dayton's Tax Problem" and several of the graduates expressed appreciation for the course.

## Congressman Crosser Speaks

CLEVELAND—At a testimonial dinner in his honor April 23, Congressman Robert Crosser declared, "Freedom comes first. Men and women must have the right to defend the truth as they see it; to worship God as they see fit; to live as they wish to live, so long as they do not interfere with the rights of others."

"No man should have an advantage over his fellow-men through control of a natural resource. Every man is entitled to protection for the products of his own efforts, but not for the products which belong to all of us."

"The government should take the revenue from products of natural resources to pay the costs of government and distribute the residue among all of us. This would remove tax burdens, revive business and industry, decrease prices and put idle men to work."

"What folly it is to talk of regulating monopoly, when we grant to an individual, or a few individuals, control of the natural resources with which God has so richly endowed our country. Monopoly of that kind cannot be regulated. The only cure is to abolish it."

During his quarter century as the representative of the 21st district, Congressman Crosser has distributed many copies of "Progress and Poverty."

## Economic Round Table

CHICAGO—A symposium on basic economic questions was heard by the Henry George Fellowship at its May 2nd meeting. The speakers, all instructors of the HGSSS, were Harold L. Broliar who spoke on the nature of Wealth, Raymond W. Gwin who discussed the Law of Wages, and Samuel M. Levin who treated the Law of Rent. Maurice E. Welty, president, was in the chair.

## Holland Elects Georgists

GRONINGEN, Holland—The election campaign for the Legislature in the Province of Groningen resulted in the re-election of H. Kolthek as Member. Mr. Kolthek writes that the campaign for the coming elections to the County Council of the Town of Groningen is now in progress. "Justice and Liberty" members already occupy five seats out of the thirty-nine council seats.

## Persistence Brings Results

NEW YORK—Joan Aiken, volunteer publicity agent for the School, is getting space in the local college publications for a short history of the School and a statement of its policy, concluding with an announcement of the summer classes.

## Pittsburgh Class Dinner

PITTSBURGH, Pa.—Twelve graduates of the class under Casimir J. Pellegrini held a "Commencement" meeting in the private dining room in the Culinaire Restaurant, 156 N. Craig St., Monday evening May 15. Speakers were Father Andrew J. Pauley and William N. McNair.



## Speakers Bureau Report

Since the Speakers Bureau was started suddenly on December 1, there have been 72 speaking engagements. While there will be very little speaking done in the summer, an organized campaign will be carried on to blanket the city with HG SSS speakers this fall. All students and graduates who belong to groups which use speakers, are requested to write to Dorothy Sara, Secretary of the Speakers Bureau.

The following talks were given recently:

April 7—Mr. M. B. Thompson, spoke on "Life and Philosophy of Henry George" at the Community House, Free Acres, N. J., a "single tax" enclave.

April 25—Mr. George W. Quigley, addressed the Hamilton Community Council, 503 W. 145th St., New York, on "Preservation of Democracy" at a forum meeting.

May 8—Mr. Reginald Zalles, conducted two sessions of the economics classes, at City College of New York branch at James Monroe High School. He spoke on "Henry George Philosophy as Midway Between Socialism and Rugged Individualism."

May 17—Mr. Louis Wallis spoke on "Lopsided Taxation" to the Rotary Club, Perth Amboy, N. J., at their luncheon meeting.

May 18—Dr. S. A. Schneidman, instructor and secretary Queens Extension classes, spoke on "Burdensome Taxation" to the Woodhaven Republican association, in Woodhaven, L. I.

Advance date has been booked for:  
June 5—Mr. Jules A. Guedalia, will speak on "Unemployment—A Menace to Americanism" to Americans 35 & Over, Inc., at 3399 3rd Ave., Bronx.

## Cincinnati Holds Dinner

CINCINNATI, O.—The HGSSS Annual Dinner was held on May 10 in the Faculty Dining Room, Students' Union Building, University of Cincinnati. Speakers were: Hon. Raymond H. Burke, Mayor of Hamilton, Ohio; Dr. Wm. W. Hewitt, Ph.D., Professor of Economics, U.C.; an invocation by Rabbi Michael Aaronsohn. Hon. Chas. G. McFell was Chairman, Ed. F. Alexander, Toastmaster, and Albert S. Colby, Reception Committee. Mrs. Carolyn G. Kline, soloist, was accompanied by Mrs. William Davis.

## Middletown Progress

MIDDLETOWN, N. Y.—On April 24 fifteen students completed the course in International Trade, conducted in the High School building, John H. Clonan, Instructor. W. C. Hillyer of Tenafly, N. J. was guest speaker at two of the class sessions as also was Zopher K. Greene. The Middletown Travelers Club held its closing meeting at the home of Mrs. F. P. Hunter, and Mrs. Don L. Bates, a former graduate, gave a review of "Progress and Poverty" to interest visitors in the class that will be started in September.

## Illustrated Lecture Instructive

NEW YORK—The Forum met on Sunday afternoon at 4 p.m. May 7, in the Students' Room. Walter Fairchild showed color slides of Manhattan and Greater New York, clearly illustrating the tax problems of all communities in general and New York in particular. 65% of the buildings here are over thirty years old, are outmoded, and do not bear a proper proportion of tax contribution which the much fewer, better and more modern buildings have to make up. In addition to these slides, Mr. Fairchild had maps which showed population distribution, daytime, night-time, and working, from which he has developed that an average of \$1,000 per person is contributed to land values in all communities. While on the average each person brings about \$200 land value to his residential district, there being two workers in every seven persons, each worker brings with him around \$1,700 land value to the business districts of New York City.

## L. A. Meets in Church

LOS ANGELES, Cal.—According to the report of Harry H. Ferrell, Extension Secretary, forty graduates of previous courses in Fundamental Economics be-

gan the study of International Trade on May 9. Mr. Ferrell writes: "Although not yet a 100 percent Georgist, Dr. Ernest Caldecott is an enthusiastic supporter of our educational work, and we are using the parlor of the First Unitarian Church."

## Montreal Commencement

MONTREAL, Que.—Fifty graduates of the course in Fundamental Economics, fifteen from Principles of International Trade, when all classes for this term finished on May 12.

Miss Strehel Walton, Secretary of the Extension, reports a successful dinner on May 4th in the C. P. R. Station dining room. One hundred and thirty recent and former graduates were present. Speakers were: John Anderson, Director of the Extension; Henry Moreau, recent winner of the Sir Edward Beatty gold medal for public speaking, who gave his prize-winning address, "French Canada;" Ford Baxter of the Junior Board of Trade; Margaret Bateman; E. O. Riddell; and J. F. Johnston, Chairman. A short musical program was given by Strehel Walton and Fred Kindelvich, accompanied by Mrs. Kindelvich and Mrs. Stanley Allen. A feature of the evening was the "True or False" contest based on the Georgist philosophy, led by Mr. A. W. Averine.

## Book Bargains For You

Slightly soiled and odd copies—offered at ridiculously low prices—for as long as they last. Cash must accompany order. Prices include postage.

	Reg. Price	Sale Price
The Land Question, Etc.—Henry George .....	\$1.00	.65
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The Path to Prosperity—Gilbert Tucker .....	2.00	.65
Philosophy of Henry George—G. R. Geiger ..	2.50	1.95
Protection or Free Trade—1927 Edition—Henry George .....	1.00	.50
Protection or Free Trade—1931 Edition—Henry George .....	1.00	.50
Public & Private Property—John Z. White ...	2.00	.75
Shortest Road to Single Tax—Thomas G. Shearman .....	.15	.05
Spiritual Economics—John Emery McLean ..	.25	.10
Story of My Dictatorship—L. H. Berens & I. Singer .....	.30	.20
Theory of the Land Question—G. R. Geiger ..	1.00	.65

## Robert Schalkenbach Foundation

32 EAST 29 STREET, NEW YORK CITY

## Graduation June 6

NEW YORK—Albert Jay Nock, foremost essayist, author of *Our Enemy the State* and a number of other well-known books, will address the spring graduating classes and their friends at the exercises to be held at Engineering Auditorium, 29 West 39th Street, June 6th, at 8 P.M. His subject will be "The State."

Francis C. Goodale, of the Boston faculty, will speak on "The Way Toward Freedom," and Michael J. Bernstein, of the New York faculty, on "Socialism vs. Democracy." The exercises will be followed with an informal gathering in the Social Room on the fifth floor, where refreshments will be served.

## House Resolution 178

WASHINGTON, D.C.—On April 28 a resolution "authorizing the Postmaster General to issue a commemorative stamp in honor of the one-hundredth anniversary of Henry George" was introduced in the House of Representatives by Mr. Sweeney. The resolution, which eulogizes George's contribution to socio-economic thought, concluding with the well-known estimate of his place in philosophy by Dr. John Dewey, is now in the Committee of Post Office and Post Roads. A number of Georgists have written to Postmaster General James Farley, to their Congressmen, and to President Roosevelt, urging the issuance of this stamp. Persistent effort of this kind will be helpful.

## Classes in Holland

GRONINGEN, Holland—400 copies of the Dutch translation of *Progress and Poverty* have been sold by "Justice and Liberty," the Georgist group in this country. The publishers also report a steady sale. Translation of the *Teachers Manual* is being done, and plans to establish Henry George Schools in Holland await its completion.

## Article by H. G. Brown

COLUMBIA, Mo.—While they last, complimentary copies of a reprint of an article by Harry Gunnison Brown, from *The Journal of Political Economy* (April, 1939) on "The Incidence of a General Output or a General Sales Tax," are available.

## The More You Read -

## The More You Know

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### Books by Henry George

Social Problems  
Science of Political Economy  
Protection or Free Trade  
Progress and Poverty

### By other Authors

Theory of the Land Question	by George Raymond Geiger
How to Abolish Poverty	by George L. Record
Path to Prosperity	by Gilbert M. Tucker
The Game of Life	by Bolton Hall

### Combination No. 1

Theory of Human Progression	by Patrick Edward Dove
Story of My Dictatorship	by Berens & Singer
Nine Speeches by Henry George	

### Combination No. 2

What's Wrong With Taxation	by Jackson H. Ralston
Gems from Henry George	

### Combination No. 3

Significant Paragraphs from Progress and Poverty	
Selected by Harry Gunnison Brown	
Foreword by John Dewey	
Unemployment and the Revenue Problem	by John S. Codman

### Combination No. 4

Colored Portrait of Henry George	
Addresses at the Funeral of Henry George	by Rev. Lyman Abbott, Dr. Gustav Gottheil, Rev. Edward McGlynn, John Sherwin Crosby

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