★ The Freeman ★

A MONTHLY CRITICAL JOURNAL OF SOCIAL AND ECONOMIC AFFAIRS

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More Squawks Needed

* The people institute government for certain services. The government has a right to bill us for services rendered. We have an obligation to pay for benefits received. But the assumption that benefits received and services rendered are directly related to individual or corporate income is a social fallacy, vicious and destructive in its application and implication.

Our predecessors were more honest. They admitted that the job of taxing was to pluck the goose with the fewest squawks. To rationalize a cynicism into a principle and to follow it blindly is to welcome destruction. —ALLEN BRETT

Abolish Trade Wars

* IT IS LIKELY that the nations of the world will have enough sense to form an organization to prevent future wars. Notwithstanding the fact that the United States refused to become a member of the League of Nations, I believe that this country recognizes the fact that either civilization will have to abolish war or war will abolish civilization.

An organization of the nations of the world can be successful and permanent only if it is wisely and justly organized. Most of us would admit that the provision of the United States Constitution that prevented the states from erecting a protective tariff against each other, made possible the wealth and prosperity of the United States. Notwithstanding the success of free trade in the enormous area of the United States, many people are afraid that free trade between nations would lower the standard of living in this country. For instance, Cuba, on account of its soil and climate can produce sugar for about half what it costs in this country. Would anyone claim that the standard of living in this country would be lowered by abolishing our tariff and thereby enabling a person to buy two pounds of sugar for what he now has to pay for one? Would anyone claim that the standard of living in Canada is raised because their tariff makes automobiles, radios and phonographs cost from 50 to 75 per cent more than they do in the United States, where they are made?

If it is high tariffs that produce a high standard of living in the United States, why is it that high tariffs of other countries do not produce a high standard of living in them? We should be willing to admit that in erecting tariffs we are engaging in trade wars, and trade war is a long step toward military war. If in the organization of the nations of the world to prevent military war we could have the vision of the framers of the United States Constitution, and abolish trade wars, the resulting organization would be permanent and successful.

—J. C. LINCOLN

Idle Acres—Idle Men

* An editorial in the Cobb County Times (Ga.) tells of the gracious act of Mr. James L. Sibley, Sr. in offering his 1,000 acre plantation, now idle, to the government for food production at a rental of $1 a year. The editorial states further that there are millions of such acres owned by banks, insurance companies and individuals which might be acquired by the government at a dollar a year per farm, if a plan could be worked out to produce food from these idle acres.

All honor to Mr. Sibley for what appears to be a generous offer, but is it of any real value to the nation? Where is the labor and the equipment necessary to cultivate those idle acres to come from? There is now a shortage of farm labor everywhere as well as a shortage of farm machinery, and that condition will obtain for the duration of the war. An offer of thousands of idle acres at $1 a year per farm, if made ten or twelve years ago, say in the early 'thirties, would have greatly increased our production of wealth, thereby providing much employment, if the lease was for an extended period. At the moment the offer would appear to be valueless.

The question is, why were those idle acres not available for food production in peace times? They furnish no revenue to the owners; one can only surmise that the owners hoped to reap an unjustified profit, which is known as "unearned increment," produced by the people as a whole and belonging morally to those who produced it. When plans are being shaped for our post-war economy that is something that must have the serious consideration of the people of every community, and their elected government.

A democratic civilization cannot exist for long with millions of idle acres on the one hand and

Our Credo

★ AS ITS NAME IMPLIES, THE FREEMAN believes in FREEDOM. Like that great American economist and philosopher, Henry George, whose principles it espouses, THE FREEMAN believes that the chief obstacle to freedom is poverty. Poverty springs from unemployment, and unemployment is the direct result of our unwise system of land tenure. This system permits land to be withheld from use in the hope of speculative gain, and allows economic rent—sometimes termed ground rent or the site value of land—to be collected by private landlords.

THE FREEMAN believes that taxes are a needless burden on labor and labor products and therefore an unmitigated evil, while tariffs, by compelling the American public to pay higher prices for both foreign and domestic products than would otherwise be necessary, are nothing more nor less than a system of sheer robbery, foisted on the people under the pretense that they protect the American workingman. The truth is that, to the extent that they limit imports, tariffs curtail domestic industries which, in the absence of such barriers, would be actively and profitably engaged in producing American goods to be exchanged for those of foreign origin. This makes for unemployment and keener competition for jobs, while the higher prices exacted by the protected industries tend to reduce the purchasing power of the pay envelope. Thus, instead of protecting labor, as has been the claim since the fallacy that they protected our "infant industries" was exploded, tariffs are conducive to increased idleness, lower wages and a lower standard of living.

In the international field, tariffs render the raw materials and superior products of each country more inaccessible to all other countries, and thereby thwart man's natural instinct to get the best there is to be had, to gratify his desires with the least exertion. This leads to harder living conditions the world over and to increased rivalry for trade in the fallacious belief that the "supply" of trade is never as great as the "demand" for trade. Tariffs are therefore the most prolific cause of war.

Aiming at the establishment of freedom and enduring peace, THE FREEMAN advocates

FIRST: The collection of economic rent by the government. This would bring idle lands into use, since no one could afford to hold land out of production; and it would obviate the necessity of taxes, since the revenue thus collected would be adequate for all legitimate expenses of the government. With land available to all, widespread unemployment would disappear as if by magic, and with it would go its evil progeny, poverty.

SECOND: The abolition of all tariffs and trade barriers of every kind, both within our own borders and between our own and other nations. Thus would men be free to exercise their natural instinct to trade, and, since men never trade except at a profit, the standard of living would rise in every country in the world.

The foregoing measures are justified on both moral and economic grounds. Economic rent is in a peculiar sense a socially-created product, and its one legitimate use is to defray the cost of government. Tariffs are class legislation of the most vicious kind and, like taxes, they have never been anything but a burden on industry. The adoption of these proposals would constitute the greatest step in the direction of freedom that the world has ever known.

—C. O. STEELE

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millions of idle men on the other. Such a situation is the height of absurdity, an anachronism which should not be tolerated by people who call themselves intelligent.

—JOHN ANDERSON

★ The Freeman ★

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Let Them Eat Roads

* Among others doing post war economic planning is the esteemed New Yorker, Park Commissioner, Robert Moses. The question bothering that gentleman is what to do for, with or to the fifteen million soldiers and munition workers who will have to look for other jobs after the war.

All the economic planners, including Mr. Moses, take for granted that these millions of men will be poor. Why they are or will be poor, Mr. Moses does not say. But since they are and will be poor we know that they will lack food, homes and clothes, one, two or all three.

That being so, one would think that these economic planners would seek ways by which these poor would make for themselves food, homes and clothes. But no, the plan suggested is to have them make roads and other public works improvements.

The country is not in need of more roads or public works and none of the fifteen million men need these things. They cannot eat them or wear them or live in them.

But such is the wisdom of economic planners that to feed the hungry man we shall build him a new road and to clothe the naked we shall widen the highway.

Is it possible that our economic planners, summing up the results of all they contemplate doing, vision so many tramps going hither and yon that all the roads we now have will not suffice to hold them? —H. W. Noren

Absenteeism

* Radios and newspapers continually blame absenteeism in defense plants on the spending spree of workers earning supposedly fabulous wages. New slogans to curb absenteeism are coined daily—to no avail. Why is the simple fact not realized that men work to satisfy their desires? And, if they cannot spend their earnings for the things which bring personal satisfaction, that there is no incentive to produce?

The "spending spree" has little scope. The woman cannot buy the electrical sewing machine she has always wanted, nor the new radio and Frigidaire for the home. The young woman cannot buy silk stockings, and her shoes are rationed, so her personal adornment is dimmed. The man is prohibited from using the car to take his family riding weekends, he can in no way express with pride his financial betterment. Thus, his wages become a dubious satisfaction.

Defense work is a hard and monotonous grind, especially for those who never did manual work before. If the worker cannot find release in purchasing and enjoying the things which should be a reward for labor, then his interest in his job slackens. Also, there is lacking the prospect of "a good job with a future" in defense plants.

Man seeks to satisfy his desires with the least effort. All the pressure and slogans of patriotism will fail to curb absenteeism. When the worker has an open market, in a free economy, he will produce. The fulfillment and satisfaction of desires is the only incentive to work—and the only cure for absenteeism. —Dorothy Sara

Natural Law

* CHAOS IS THE consequence of man's ignorance of fundamental principles. And chaos is disorder, whether it be in the field of mathematics, chemistry or physics; or whether it be in that great field of human affairs. Inflation, unemployment, labor shortage, etc., are all the dreadful effects of some deep cause—disregarded principles of natural laws. The bewilderment and confusion, the so-called inverted state-of-affairs are the first fruits of distorted truths. What would we say to the medical doctor who prescribed decapitation as a remedy for headache? What would become of medical science if doctors refused to seek out causes before administering treatment?

Today the general public is, as yet, in that stage of economic enlightenment, comparable to the age of superstition and witch-burning—the foolishness of our forefathers. And the fact remains that the hopes of all men, whether they be investors, industrialists or common workers, rest in a complete return to the immutable laws of nature—laws not made by man, only discovered by him.

We have made wonderful strides in the mechanical arts and sciences, but in the science of economics we have barely begun to creep. Instead of achieving liberty and plenty for everyone, we seem to be headed in the other direction. Until economic principles are understood, there can be nothing more than a blind groping for the cause of and the cure for economic distress.

—Verlin D. Gordon

IT STRIKES ME

C. O. STEELE

In January, Secretary of Labor Perkins, in a broadcast from Town Hall, New York, outlined her own American Beveridge Plan. On completion of the lecture a hysterical woman phoned the office and screamed into the ears of the startled switch-board operator: "I can't stand it; can't stand it, I tell you! Additional expense! Mounting taxes! Are we to be saddled with the cost of this, too? Not I; I'm going to commit suicide."

The anguished woman was held on the line until police could be dispatched to the address which the resourceful operator had succeeded in getting. The police calmed the woman, so the account reads, checked casually for weapons and remained with her until she was again normal.

Now the question is, are we "normal" when we sit complacently by and watch plans being developed for taking countless billions of dollars from an already over-burdened populace in furtherance of some "Womb-to-the-tomb" security plan which would take from those who have and give to those who have not, which would aim at the destruction of those American traits of self-reliance, initiative, imagination and individuality, and which would commit the lives of all of us largely to the direction of a self-anointed "superior" few?

Are we "normal," when our American way of life, our life of free enterprise and private initiative, is under attack as never before in all our history, and that by forces within our own borders, if we take it sitting down? Is that when we are "normal"? Or, are we most normal when, like the distressed woman in the story, we go a little crazy at such a prospect?

That an influential Administration element in Washington regards taxation as not only a means of social reform but, even more importantly, as an effective method of meting out punishment to evil-doers, with the raising of revenue a minor function, is unwittingly betrayed by the frequent use in such circles of the expression "to forgive." Administration officials are adamant in their opposition to any proposed measure that would "forgive" one year's taxes.

Now, "to forgive" means "to cease to cherish displeasure toward; to pardon; to excuse; to forego the penalty for." The inference is clear; the tax payer has been guilty of a crime; he has been engaging in the nefarious practice of production. The punishment must fit the crime. Hence, the greater the production, the heavier the tax.

Woodrow Wilson, himself a master of facile expression, once said that he enjoyed talking with his Secretary of War, Newton D. Baker, because Baker would state a thing in simple terms and then give Wilson credit for being intelligent enough to understand it without having to have it repeated.

Apparently Mayor F. H. La Guardia, New York's own Little Flower, thinks less highly of the average New Yorker's ability to get what is said to him the first time over. His recent injunction in connection with air-raid warnings reads: "If your lights are out, leave them out and turn on the radio. If the lights are on and the radio off, turn lights out and put the radio on. If both are on, turn lights out and leave the radio on."

From the foregoing the suspicion arises that the same crafty hand had a part in the composition of that earlier masterpiece of befuddlement which reads: "Illumination is required to be extinguished before these premises are closed to business."

Could that possibly mean, "Put out the lights?"

"These cradle-to-the-grave social security programs must eventually result in economic and biological failure. If man is to survive as an individual social unit, free from the concentration camp of political slavery, he must return to the ancient philosophy of the Old Testament that 'In the sweat of thy face shalt thou eat bread.' "—Dr. Charles G. Heyd, former president of the American Medical Association in an address to the graduating class of the Buffalo Medical School.

Tut, tut, Doctor, where have you been for the past ten years? You'll be telling us next that the law of gravitation still holds true.

Two years of doing nothing. We now predict that's about all you can expect of Congress.—*Wall Street Journal.* What an optimist!

Hamlin Garland and Henry George

The effects of the Georgist movement in literature during the late nineteenth century have never been adequately charted, though it clearly was of importance. The writers of what Mark Twain aptly called "the Gilded Age" were becoming socially and economically conscious, and the principles of Henry George found more than one adherent among the so-called "radical" set of younger men who published their stories in the small new magazines in New York and Chicago, and who, almost alone among the writers of their time, gave realistic treatment to the problems of their era. Hamlin Garland, who died in 1940 at the age of eighty, was the sole survivor of this pioneer group, and the most significant artist of those who knew and believed in Henry George. The author, RUSSEL B. NYE, *a member of the English department of Michigan State College, is interested in the literary manifestations of political and economic thought in the nineteenth century.*

✶ THE IMPACT OF HENRY GEORGE'S thought upon his times was very great, and many literary men, interested in finding a way out of the tangle of social and economic problems which beset the late nineteenth century, took up George's ideas with enthusiasm. Unfortunately, most of those writers who adopted Georgist themes were not among the best qualified to exemplify them in fiction; though certainly deserving of consideration by the best literary minds of the period, the single tax movement found expression primarily in minor novels such as Henry Oelrich's *A Cityless and Countryless World,* Costello Holford's *Aristopia,* Arnold Clark's *Beneath the Dome,* Samuel Crocher's *That Island,* and others, novels which, though often interesting and uniformly ingenious, lack the vital spark of literary skill. The single exception was Hamlin Garland, who contributed the only artistically significant body of creative writing immediately devoted to the Georgist philosophy.

Garland was singularly well fitted to his task. Born in Wisconsin of a farming family, familiar with the related questions of land and poverty through actual experience on Iowa and Dakota farms, he was ready, when he picked up by chance a copy of the Lovell edition of *Progress and Poverty* on a Dakota homestead, to accept the truth of George's ideas. "Up to this time," he wrote later in his autobiography, *A Son of the Middle Border,* "I had never read any book or essay in which our land system had been questioned. . . . I caught some glimpse of the radiant plenty of George's ideal Commonwealth. The trumpet call of the closing pages filled me with a desire to battle for the right. . . ." For some time he had been searching for the cause of the misery and poverty which he saw about him in the lives of the homesteaders, and with Henry George as his guide he discovered the answers for which he searched. In Boston a few years later he heard George address a meeting in Faneuil Hall (an experience he described in detail in *A Son of the Middle Border*), and he came away convinced that he now knew the cause of poverty. He shortly joined the Anti-Poverty League which had sprung up under George's influence, spoke from the platform in defense of the movement, and did his best to convince his friends, among them William Dean Howells, of the need for economic and social reform. He had not yet turned his mind to literature, but when Joseph Kirkland, the author of *Zury,* a grimly realistic novel of farm life, encouraged him to "write the truth" about what he saw, he began in 1887 to write stories of the life he had known in the Midwest, drawing upon his own experiences for the background of his work and upon Henry George for its controlling philosophy.

Garland was too finished an artist to write stories of pure propaganda, knowing that grinding an axe too obviously destroyed its effectiveness. Unlike most of those who attempted, as he did, to translate into concrete terms the principles of Georgist philosophy, Garland made his stories primarily works of creative skill, with the theme of social and economic justice implicit rather than apparent. He was concerned first of all with presenting, as Kirkland and Harold Frederic had done, a realistic picture of the farmer's life, its labor, poverty, bleakness, and ugliness, but unlike the local-color realists, he probed further, making the reason for it clear—that is, the monopoly of the land by speculators. "With William Morris and Henry George, I exclaimed," he wrote in *A Son of the Middle Border,* " 'Nature is not to blame. Man's laws are to blame'!"

Garland's most significant Georgist work appeared in the stories collected in *Main Travelled Roads* (1891), *Prairie Folks* (1892), and in his novel *Jason Edwards* (1892). His thesis was simple and compelling—as a result of economic maladjustment the lives of many farmers were filled with drabness, suffering, and want; the cause lay in monopolistic landholding; the cure lay in the abolition of such monopoly. Garland went to the heart of the Georgist body of thought, seized upon the basic principle, and gave it external embodiment in his sharply-etched stories of real life. "Up the Coolly," "Under the Lion's Paw," "Sim Burns' Wife," "A Branch Road," "A Day's Pleasure," "Among the Corn Rows," and other stories were, to varying degrees of emphasis, stirring indictments of the economics of land. Of these, "Under the Lion's Paw" is the most directly associated to his consistent denunciation of land monopoly and speculation; it is, said Garland in *Roadside Meetings,* "a single tax story," and it remains probably the finest

literary product of the Georgist movement during the times. The story concerns an industrious farmer, Haskins, who falls into the hands of Butler, a man who "believed in land speculation as the surest way of getting rich." Haskins and his family toil like slaves for three years on one of Butler's farms, paying interest at ten per cent, turning the rented, rundown land into a prosperous farm, only to find that, when he wishes to purchase the land, all his work has simply resulted in adding to the value of Butler's land—the rent is doubled, the price is doubled, and Butler has done nothing. The law affords no escape; Haskins, bitter and broken, is "under the lion's paw" of the speculator and landlord. Not only is the story a dramatic translation into human terms of Henry George's principle of rent and unearned increment, but it is as well Garland's finest piece of work, a nearly perfect balance of thesis with literary skill, of propaganda with the realist's art.

Though Garland never again reached the perfection of "Under the Lion's Paw," he gave the same theme a more complete treatment in *Jason Edwards*, which he adapted from an earlier play and published as a novel in 1891. Jason, a Boston workingman, flees from Boston and the poverty that low wages and high rents have forced upon him, to take a homestead in Minnesota and to become his own master. He finds, however, that the fertile land has been bought up in advance by speculators, and in order to settle, he must mortgage his farm. Payments of interest and principal, storms, drouth, and crop failures force him to the wall, and he ends a dispossessed man. Actually the novel is simply a larger view of the problem of Haskins, a continuation of George's principle that poverty is the entail of land rent, and, like the earlier short story, the book, in its picture of the life of the farmer who is at the mercy of the system, is a vigorous arraignment of the monopolists. A following novel, *A Spoil of Office* (1892), traced the rise of the Grange movement and the Farmer's Alliance, and though its emphasis is political rather than economic, the same theme is still evident, the cause of poverty is still monopoly.

After the publication of his first two novels Garland's career divided sharply, and with the exception of *Rose of Dutcher's Coolly* (1895), a realistic but generalized picture of farm life, he gradually abandoned his crusade against economic injustice. Though he wrote two single-tax articles for B. O. Flower's *Arena* in 1894, the Georgist element disappeared from his literary work. From *The Captain of the Gray Horse Troop*, a novel about Indian affairs, and *Hesper*, a labor novel of Colorado, he turned more and more from his quest for social and economic betterment to criticism, local color stories, biography, and finally to autobiography. Whether his sense of social justice atrophied, whether the local colorist triumphed over the realist in his literary makeup, whether financial success softened his spirit, or whether he simply wrote himself out, Garland became finally a literary raconteur, drawing upon his reminiscences of his acquaintance with nearly every important figure of his day for the body of his later work.

In some ways Hamlin Garland's career ended in disappointment, for he had the equipment necessary to both a reformer and an artist, equipment of which he never made full use. He possessed a burning sense of the injustice of the economic system, a wealth of experience from which to draw, a keen and intelligent mind, a realist's clear vision, and an undoubted literary genius. He seemed from the first destined to become the artist of the single-tax movement, the man best qualified to carry Henry George's ideas into literature of a high order; but Garland could never fix his purpose, uncertain whether he was a reformer, a local colorist, a critic, or a biographer. The promise of "Under the Lion's Paw" was never fulfilled.

Justice, Expediency and Mr. Hopkins

When Mr. Harry Hopkins, a gentleman of enormous influence and authority in national affairs, recently delivered himself of certain pronouncements affecting the life and welfare of every individual resident in this land of the free and home of the brave, WELD CARTER, *New Jersey businessman and student and teacher of the philosophy of economic freedom, was moved to disagreement. In the following pithy paragraphs, Mr. Carter tells* FREEMAN *readers what he thinks of the "musts" and "must nots" laid down by Mr. Hopkins for the guidance of John Q. Citizen. We'll give you this tip in advance: he doesn't like 'em!*

* THE OPENING ARTICLE in the *Reader's Digest* for February 1943 begins with a quotation:—"If this country ever gets a system of governmental regimentation . . . ," and the second article is headed:

> President Roosevelt's right-hand man graphically blueprints the near future of every American. YOU WILL BE MOBILIZED by Harry Hopkins.

Thus the "if" on page 1 becomes a promise on page 7, a promise of as complete a regimentation as the fertile imagination of its author can conceive, a regimentation whose intensity will dwarf the controls already in effect and whose fulfillment will be achieved, not in some vague and roseate future, but definitely and promptly, in this present year of 1943.

The argument proper is in two parts: the first treats of justice; the second, of expediency. Both arguments are brief, taking up only a portion of the first page.

the balance of the article portraying what the future holds for a regimented America.

"In fairness," Mr. Hopkins says, "to those men and women who will give everything, even their lives, to save our country, no American anywhere not now in the war effort, should be allowed to decide for himself how much he will do or how much he will give. Under government direction, with no pussyfooting, we must throw into the war effort every able-bodied man and woman."

Now justice, according to Montesquieu, is a relation of congruity which really subsists between two things; this relation is always the same, whatever being considers it, whether it be God, or an angel, or lastly, a man. It is a relation of equality, and it is evidently this sense of the idea that served as the premise of Mr. Hopkins' argument—the notion that justice demands that all be treated alike.

Yet Mr. Hopkins' conclusion, that every able-bodied man and woman should be enslaved, is an obvious absurdity, for that would be to say that justice leads to slavery; whereas on every page of recorded history, in letters bold and clear, is written the unmistakable lesson that only in freedom can mankind find justice. Therefore there must be a flaw in the reasoning.

Under Selective Service, we have enslaved a portion of our population; but justice demands equality; therefore to serve the ends of justice, all must be enslaved; thus runs the argument. But to state it is to reveal the fallacy. For the idea of slavery of itself is incomplete. There can be no *ruled* unless there also be a *ruler;* there can be no *slaves* without a *master.* And between the master, on the one hand, and the slaves on the other, there can only exist a state of inequality and a consequent denial of justice. And the more the slaves and the fewer the masters, the greater the inequality, the grosser the injustice.

Thus when the light of freedom shone ever so briefly on the citizens of ancient Athens, it was—it is true—a very imperfect freedom, for it was founded on a slave class. But equality and justice were lessened, not heightened, when those erstwhile free denizens were debased toward the level of the serfs. Thus the transition from the status of free, independent Italian husbandmen to that of fawning Roman lackeys marked a shocking growth of disparity in Roman society and an attendant growth of injustice.

Had we, at the conclusion of the Civil War, moved to enslave every able-bodied man and woman "in fairness" to the negroes, that would not have constituted a step toward equality and justice but towards greater inequality and more injustice. And when Hitler adds the Greek people to the long list of others that he has enslaved, despite all his claims, he is making a mockery and perversion of equality and justice.

Whatever may have been the necessity, we have enslaved that portion of our people whom we have drafted for involuntary service with our armed forces, but equality and justice will not be promoted by enslaving every other "able-bodied man and woman." Equality and justice will be promoted only when we can release our conscripts from their bondage, just as equality and justice were promoted by freeing the negroes after the civil war. So much for the moral aspect of Mr. Hopkins' plea. What sort of a case does he make for expediency?

"When," he says, "through their chosen representatives the American people enact the laws that are necessary, we all shall be in the kind of work we should be doing . . . . . Rationing and priorities . . . . will determine the kinds of food, clothing, housing and business which we shall have."

What kind of work should we be doing? Should we all be doing the kind of work that will produce the greatest amount of wealth, the maximum fund of things to meet the needs, to satisfy the desires of the whole of society? If so, then the laws that are necessary are laws which will abolish all governmental regulations and restrictions which in any way impede trade or hinder production. For the result of governmental restrictions is in fact to restrict: they divert labor and capital from more, to less, profitable employments, and they thereby lessen the fund, as Adam Smith told us long ago, from which all revenues are drawn.

But obviously that isn't the kind of work Mr. Hopkins thinks we should be doing, because he says that no one "without good cause will leave a war job for one that pays more." Nor are those the kind of laws that Mr. Hopkins thinks are "necessary," for his "necessary" laws lead to rationing and priorities.

But if the expedient to be sought be not the natural one of maximum production, what then is the expedient and by what, or whose, standards is it to be judged?

In truth, of course, slavery is no more expedient than it is just. Greek civilization did not blossom when Athens turned its back on freedom; it withered and faded. Roman civilization was decaying directly as the Roman people's free status was changed to that of ward of the state. To the extent that we, even nominally, unshackled the negroes, we expanded our civilization in this country, just as, in direct consequence of the tyranny of Hitler, production is declining and civilization is vanishing from continental Europe.

Thus slavery doesn't even find its warrant in expediency. It isn't as though we had to pay a price for freedom, as though we could exchange freedom for a higher material standard of living, for more of the things we need to sustain us. It isn't as though it were a choice between freedom and expediency. It is that only through freedom can a true expediency be achieved.

Thus it is that considerations of expediency lead us to the same conclusion we reached through a consideration of justice, which of course must be, if the laws of the universe are harmonious—if the Lord our God is, indeed, a just God.

And what, the reader may ask, was the complete quotation on page 1 of the February Reader's Digest, which began with "If"? It was this: "If this country ever gets a system of governmental regimentation, labor will suffer most." Its author was William Green, President of the American Federation of Labor.

Commentator Has Change of Heart

When JAY FRANKLIN, *nationally-known columnist, recently expressed a radical change in his views concerning certain aspects of the social and economic structure of our society, we deemed it, in view of his extensive following, a matter of such significance that we were moved to write—*

Dear Mr. Franklin:

I have just been shown, and have read with delight, your column in the *Newark Evening News* of February 10, in which you express your change of heart with respect to the profit system and describe the circumstances of the "revelation on the road to Damascus."

Your sentiments in the matter are so akin to those of the believers in the philosophy of Henry George that I am sure they would be glad of an opportunity to read the column. I make bold, therefore, to ask if we might reprint it—giving full credit, of course—in an early issue of THE FREEMAN. If you are one of those unfortunates who do not know THE FREEMAN—their number, alas, runs to millions—I might say that it is a monthly critical journal of social and economic affairs sponsored by the Henry George School of Social Science in New York. I'll mail you a copy of the March issue when I get to the office tomorrow. I was so enthused about your piece that I couldn't wait to get this letter off—it is being typed here at home in Forest Hills this Sunday afternoon.

Unfortunately, THE FREEMAN, like most periodicals with a mission, has no money to pay contributors. Your only compensation, in the event that you can see your way to allowing us to use the article, would be our heartfelt thanks, and—I hope—the satisfaction that comes from doing a favor to a journal that is trying to preserve and broaden our democracy in these parlous times.

Sincerely yours,
C. O. STEELE, *Editor*

Whereupon Mr. Franklin graciously replied—

Dear Mr. Steele:

Your letter of the 21st has been forwarded to me and I hasten to give you my permission to reproduce the column you speak of in an early issue of THE FREEMAN. Naturally, I have long been aware of THE FREEMAN but have not seen it for a long time. I was interested in your observation of the parallel between my conclusions and those of Henry George. It has been so long since I read "Progress and Poverty" that I can only suppose that my views offer a good example of the way ideas are handed on.

Will you be kind enough to send me a copy of the issue in which my column is reprinted?

Yours sincerely,
JAY FRANKLIN

With the result that here, for FREEMAN *readers, is Mr. Franklin's article in full.*

* IT MAY SURPRISE some readers of my column and shock others to read that I am at last convinced that free enterprise for private profit is essential to human liberty. During the past 10 years I have been so articulate in denouncing the abuses of property rights in derogation of human freedom that I have been accused of Communism, Fascism and inborn hostility to business.

My revelation on the road to Damascus came February 4, when I called Western Union, as usual, to send a birthday telegram to my youngest daughter, who is away at school. This seemed to me to be a harmless, natural, human thing to do. However, Western Union politely informed me that they were not permitted to accept private anniversary telegrams on account of the congestion of wires due to the burden of war business.

With this ruling of the Federal Communications Commission I have no quarrel. I am entirely willing to forego my right to send birthday telegrams for the duration, and I hope that it will help defeat the Axis. The government can't make me sore that way.

But the more I thought about the government's ruling in this matter, the more I realized that the only real protection of my right to send family telegrams and other things which express my personal freedom was the fact that Western Union and other privately owned business groups stood to make a profit out of my individual desires.

Suppose, for example, after the war we were to adopt a Fascist or Communist or totalitarian system of government, with government ownership of communications and basic industries. Suppose that such a government decided that every man, dollar and ounce of material that could be spared must go into a great national rehousing program and that, therefore, the inmates—I will not call them citizens—of the United States must not be allowed to send certain kinds of telegrams, make certain kinds of telephone calls or go on certain kinds of journeys ("pleasure driving" is a foretaste).

Such a government could not be in the least bit interested in the profit account of the telegraph or railway companies and could highhandedly and perhaps mistakenly refuse to let me do the things which seem to me to be normal, natural and harmless expressions of my rights as a human being. And I would have no redress under these circumstances, except to agitate or to vote—both of which might simply get me into a bad personal jam.

For when the government steps in, it is a monopoly. With the government writing the rules—which means some little guy in a bureau, whom nobody knows, nobody elected and nobody can remove—it does me no good to go from Western Union to Postal Telegraph or R. C. A.

That is why the Manufacturers' Association and the U. S. Chamber of Commerce—my old targets in the days of yore—can be assured that when the shooting stops, they will find me fighting the battle for private

Black Markets and Human Nature

With black market operators being put in jail, and black market patrons being pilloried by the newspapers, an inquiry into the cause and effect of this social phenomenon should be of interest. GEORGE BRINGMANN, *associate editor of* THE FREEMAN, *undertakes the task, and emerges with a conclusion that may be at variance with commonly accepted ideas. Whether you agree or not, we think you will find his article distinctly interesting.*

★ BLACK MARKETS! A dreadful designation, connoting, particularly in the case of uninspected meats, sickness, disease and plague, in the shape of such unpleasant visitants as hookworm, roundworm, tuberculosis, trichinosis or turelemia. These and other hidden dangers stalk the patron of the black market, and, indirectly, those with whom he comes in contact.

But the black market is not a new social phenomenon. It is a not-so-new name for the age-old pasttime known as smuggling. It is nothing more nor less than illegal trafficking in goods and commodities which the government seeks to control.

In all scientific research and experiment, the practitioners, when seeking to eliminate certain effects, will concern themselves with first causes. In the heroic fight to conquer malaria, it was finally discovered that the disease carrier was the female of a certain species of mosquito. The next step was to wipe out the breeding grounds. Because malaria was intensively studied for years, the Army knows how to cope with it in parts of the world where it is impossible to drain swamps and fight mosquitoes. That scourge of the East, bubonic plague, was found to result from the bite of a flea that had previously bitten an infected rat; hence, stamp out the rats. Because men had gone back to first causes and learned how to control yellow fever in South America, they are able not only to aid our troops and the native population in Africa but to pile up more knowledge of a disease which can take more lives than bullets. In no case did the scientist attempt to legislate the evil out of existence; he sought only to remove the cause.

But not so the social scientists who serve the government and thus, it is assumed, the people. They are wont to pursue other methods, to resort to legislation and bureaucratic edicts. Yet a moment's reflection should take them to the heart of the matter. It should be clear to all that black markets could not exist without customers; that customers patronize such markets of their own free will and accord and not by any coercion; and, finally, that desire prompts human action—the desire for satisfaction. Social scientists may not know, however, that man's desires are unlimited, and that when an individual patronizes a black market he does so because, despite the higher prices which he must pay, the black market affords him, everything considered, the most satisfactory and, sometimes, the only means of gratifying his desires.

Concerned as the social scientist must be with public health and wellbeing, and with the danger of contamination from uninspected meats, he might well consider this social phenomenon: Prohibition does not prevent. Removal of the cause is the only method by which the dangers inextricably associated with black markets can be dissipated. In other words, do away with the black markets themselves. No lesser course will avail.

Black markets come into being because restrictions imposed on trade offer an opportunity for large and unusual profits on the one hand, and a more readily available supply of goods and commodities for which there is widespread demand on the other. Restrictions on international trade, making more difficult the importation of foreign commodities, make smuggling the source of a profitable though precarious livelihood. Any denial to the free exchange of commodities in our local domestic markets brings precisely the same result—dealers and customers setting up illegal markets for the greater satisfaction of their desires.

Laws and governmental edicts seeking to check or deny the operation of the law of supply and demand are actually attempts to thwart man's normal instinct to gratify his desires with the least effort, to call forth from nature more and evermore to supplement what to him is *always* an insufficient supply.

The only way to eradicate the black market with its menace to public health is to *make it unprofitable.* Even the death penalty for violation of laws attempting to restrain the basicly human instinct to trade has failed of its purpose. It has resulted merely in increased prices to compensate for increased risk.

Human nature cannot be legislated out of existence. The sole remedy for black markets, as well as for every other one of our economic ills, is *freedom.* If we would do away with black markets we must establish completely free markets into which all the supply, however inadequate it may be at times, can flow unhampered, there to be distributed under the conditions which *have characterized every free market since time began—competitive bidding and supply and demand.*

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enterprise and private profit without reference to my past performances in criticism of unregenerate capitalism and the purblind exaltation of property rights over human rights. I know now, what I never fully realized before, that while the government regulation is necessary to control traffic—whether on the highways, the stock exchange or the labor market—government ownership, when divorced from considerations of private profit, is death to human freedom and the right of the individual to develop his own life without reference to the views of the bureaucrats.

Education in a Free Society

In response to requests for further light on the challenging and, to some, enigmatic statement to the effect that "Jesus was the greatest political economist of all time," which appeared in her article, "Meet Our New Dictator: Mr. Five Per Cent," (FREEMAN *for December, 1942*) MARGARET HARKINS, *Assistant Editor of* THE FREEMAN, *enlarges upon the matter in the following study.*

The fact that requests are still being received for extra copies of the issue containing her article, and that many of our readers are interested in a further development of ideas touched on but briefly—because of space limitations—in the earlier thesis, suggests that Miss Harkins, long a student of the social sciences and metaphysics, has uncovered a rich vein of philosophical ore that so-called practical economists have feared to explore lest it yield nothing more than low-grade theory consisting chiefly of star dust.

Take no thought for the morrow: saying, What shall we eat? or what shall we drink? or wherewithal shall we be clothed?

✶ NINETEEN CENTURIES AGO those words were spoken, we are told, by a remarkable teacher who headed up an adult education group which held a series of summer meetings in the high, hilly lands rising eastward above the Mediterranean sea. This is a warm, semi-tropical country, with the hot desert sands of Arabia lying just below it, and in those days the ideal place in which to conduct a summer school project of this sort was out-of-doors, in a pleasant grove, or on a wooded hillside, sheltered from the heat and the glare of the sun. Among the students who were gathered there to hear this particular lecture was a man who was called Matthew by name. Apparently he made notes, extensive and accurate ones, of what he heard, because after hundreds of years that superb literary masterpiece, The Sermon on the Mount, has come down to us, through various translations, in a form that leaves its distinctive qualities unimpaired. Only a highly original lecture, reflecting the unusual personality of the speaker, and the profundity of his thoughts, could, after so many centuries, stand out in such striking contrast to the surrounding portions of what has come to be known as *The Gospel According to Matthew.*

In this particular section of the sermon, the disciples, who were being trained as teachers, were cautioned against an attempt to try to serve two masters of opposite points of view, and serve them both successfully. They were told that the thing could not be done, that it was contrary to human nature, because the chief interest, or treasure, in life would always bid for the greatest attention. They were told to consider carefully and choose wisely, to seek first things first, and that, having thus aligned themselves with the operation of a natural principle or law, the other things would have to follow. In an earlier part of the lecture they had been warned that a natural law could not be destroyed, or repealed, or changed in any way, but that it must always, under all circumstances, be fulfilled.

Despite Matthew's fine work on that day, and his excellent notes which have been handed down through generations with the seal of authenticity still upon them, the splendid advice contained in them has been too often misinterpreted, misunderstood, or flatly ignored. Thus, after nineteen hundred years, the whole world is torn by conflict, and in the United States a second ration book has been issued to the citizens that they might take thought of the morrow, the food they will eat, the coffee they will drink, and the shoes they will wear. This does not mean that the present rationing system should, or could, be suddenly abandoned. Rationing was originated long, long ago, in the form of an idea, and like all ideas it must follow the natural law. It must come into manifestation. If it is not good, or desirable, it can be cancelled out by one thing only, a better, or more desirable idea of equal or greater interest. Natural law, already in operation for billions of years when the disciples learned about it, is still functioning as predicted. Man's perversities have not changed original principle. The present adverse results merely prove that the suggestion, seek first things first, was abandoned in favor of a counter-suggestion, seek last things first. And why? Because it seemed to men, looking through a glass darkly, that by this very clever short-cut they would satisfy their desires with less exertion. If, according to natural principle, water seeks its own level, then, these *practical* individuals reasoned, the simple remedy was to have only one level. Just how difficult this levelling process might be they failed to anticipate, but the memory of the present war, will remain as a monument to those who tried.

This method of going through life in reverse, so to speak, of seeking last things first, of working from without to within, has apparently afflicted civilization since its earliest beginnings. At the time The Sermon on the Mount was given before the disciples, it must be assumed, from the writings, that they had a knowledge of the true interpretation of biblical allegories, particularly of that important parable of Adam and Eve, a remarkable story which reflects a state of mind that existed hundreds of thousands of years ago. It explains in a lucid, never-to-be-forgotten presentation, the functioning of the thought process back of all the adverse happenings that man has ever experienced. The woman Eve, representing the human mind or soul, is said to have eaten some forbidden fruit plucked from the

tree of good and evil, and then tempted Adam, representing the human body, to share in this daring escapade. For a while, for a few short years as time goes here on this earth, there were those who were convinced that Eve ate an apple. Now, however, modern psychologists have restored that worthy fruit to its rightful place in the market-basket of edible delights, and having examined the tree in question, they have discovered that the one and only evil that it yields is fear. Hatred, resentment, poverty, envy, human or social ills of any kind whatsoever, originate in and develop out of fear. Fear, or a belief in the power vested in inharmonious conditions, is all that can shut man out of paradise.

Fear, then, is the motive power that prompts men to seek last things first. The last thing, or the outward, visible manifestation of what was once an idea, becomes the desired thing—just in case something untoward should happen to the first link in the chain. If the parable of Adam and Eve were recast today, in the light of modern developments, a few changes—minor ones—might be made to bring the language down to date. The woman, for example, would no doubt explain her predicament in this manner: "The serpent beguiled me, and I did hoard." And the serpent, straight out of antiquity, would be the very one you met in the grocery store only a few weeks ago—there among the canned fruit and vegetables—whispering: "Buy—buy the last things now—for fear you will always and forever be too late for the first."

The food hoarder is one of the most recent products of fear, but even at the time of The Sermon on the Mount, it seems obvious that this tendency to hoard was so pronounced that it was recognized as a basic, fundamental social evil. All through the sermon there are warnings against this habit—for habit it apparently was, even two thousand years ago. In the affirmative sense the eight Beatitudes constitute a comprehensive blessing for those who do not indulge in this practice. Again and again, across the pages of this historical document, the tragic figures of those who are burdened by great possessions, turn back, away from paradise.

And if thy right eye offend thee, pluck it out and cast it from thee. . . . I say unto you, That ye resist not evil. . . . Take heed that ye do not your alms before men. . . . Lay not up for yourselves treasures upon earth, where moth and dust doth corrupt. . . . Give us this day our daily bread.

Here are but a few of the warnings. Integrity is to be sought first; it matters not the price. All things must be cast aside in its favor. These things must not be hoarded: resentments, self-righteousness, greed, revenge, the desire to "get even," the return of evil for evil. These are the deadly fallacies which, hoarded away, come to light in private quarrels and public strife. Even security, if it be of the outer, mutable type, is subject to corruption. Our bread must be today's bread, not the loaf of yesterday or tomorrow—not the loaf eaten in the fear that tomorrow will not bring its own.

All that is very well, the practical individual may assert at this point, but what about tomorrow's loaf, now that the subject has come up. Regardless of what happened on a Mediterranean hillside nineteen centuries ago, the world is so short of loaves that tomorrow will bring even more starvation than today.

The truth that the world is short of loaves is a last truth—dependent as always on the first. For a world that permits its land, its one and only source of production, to be hoarded in the beginning will see its bread hoarded in the end. The law is still the law and permits of no short-cuts or improvements. Water still seeks its level; man still seeks to satisfy his desires with the least effort. So it is man who is still deceived; it is man who is still caught in his own wiles of wickedness. To be wicked is to be bewitched, in the dictionary meaning of the term—to be under a spell. What power, then, will lift this spell of fear—this bewitching serpentine influence that strikes without warning?

Again, Matthew's notes supply the answer. For, he tells his readers, when The Sermon on the Mount was ended, the people were astonished at the doctrine which had been set forth. Jesus taught as one having authority, and not as the scribes. Now the scribes, in those days, were responsible for a system of learning which, in some of its worst aspects, has been incorporated in the school system of today. It was a repetitive, parroting method, devoid of originality, and dependent largely upon outer observances, almost as ritualistic in nature as the present-day acquisition of good marks, fraternity pins, and athletic trophies. But this summer school which Matthew attended was for adults, men who had reached a fine maturity of mind and spirit. They did not have to be bribed with prizes and promises; they enjoyed learning, for they understood that to know is to be free. And *to know* then, as *to know* now, was "to have experience of." It did not consist of memorizing something that somebody else knew, or of wishing to know as much as the man across the street. The disciples sought truth in the only place that truth has ever been found in its original dynamic form—within their own consciousness. They knew it was truth because they had experienced it; they had learned to apply it in their daily lives. Their education, then, directed by one who had authority or dominion, consisted in observing the working of that one basic principle. Nothing more was needed, for *to know*, or "to have experience of" the truth, meant freedom.

No better method has been found, after nineteen hundred years of attempted short-cuts. Education, from within out, is still the only answer. When man learns, through experience, that hoarding is not the easiest way in which to satisfy his desires, he will be automatically released from the spell of fear which prompts him to continue the habit. When he learns that education, as it has been practiced, from without to within, is an education for hoarders, and that hoarders must always remain slaves to their great possessions, he will seek an easier way. He will no longer desire slavery and all it entails. Through experience, he will come to know that the tendency to grab, to hold, to seek the possessions of another, always carries with it the tremendous re-

sponsibility of using aggressive force. Ill-gotten gains must be guarded, for they lie outside the natural protection of justice. Aggression must be in constant operation, for the instant it ceases the possessions will revert to their rightful owners.

There was another point, of vital importance to modern society, which was stressed in The Sermon on the Mount. That was the complete absence of a *laissez faire* attitude on the part of the teacher. The disciples, though they numbered only a dozen, were told to go forth and teach all nations the truths they knew, the truths they had "had experience of." Some of them doubted, the story reveals, but the teacher did not doubt. He did not urge his followers to wait until a few more wars had been fought, or until world conditions were a bit more settled, or until the budget was balanced. And above all, he did not advise them to withhold their teachings until men and women had become better, more receptive to reason, or until they had suffered more. Then, as now, the only way to begin a free society was to begin. Education in a free society can have only one meaning: an education *in* freedom. It can never be an education *for* freedom, or among the slaves of today who may be released tomorrow. Release, partial or complete, comes instantly when an understanding of freedom comes. Truth is unchanging, eternal, always in existence now. Those who take thought of tomorrow, fearful that it may bring less than today, are dwelling in a never-never land somewhere outside of *now*. Burdened as they are with great possessions which they have hoarded in a futile effort to stave off fear, they must remain shut out until they know, until "they have experience of" the truth that will set them free.

A Letter from the Director

Dear Freeman Reader:

May I say "thank you" to all who have so generously responded to the appeal for funds made in the March issue of THE FREEMAN. It is encouraging to know that we can count on your support, financially and otherwise.

Someone inquired: "Why should a school with an endowment fund ask for contributions?" We all realize that the purpose of an endowment fund, or better still, a capital fund, is to assure permanence to an institution and a continuation of its service. We anticipate that this fund will grow from year to year so that the income derived from it will enable us to widen the scope and usefulness of the School. Without the aid of voluntary contributions, however, the annual income is not sufficient to cover current operations. Further expansion, in the meantime, is curtailed.

Every dollar of your contribution augmented by the income from this fund will be spent for present requirements and future expansion. Our objective is that thousands more should enjoy the advantages we have all derived as students of Henry George.

Your contributions have aided in opening and operating extension classes in several cities and have made it possible to enroll correspondence students from all parts of the Western Hemisphere. This method of study has tremendous possibilities and the expansion of this part of our school program is limited only by the funds available.

During these trying times, in spite of the difficulties experienced by schools in general, we are pleased to announce a 30% increase in the number of correspondence students over the previous twelve months.

The future will depend upon what we contribute to it.

Confidently yours,

MARGARET E. BATEMAN, *Director*

P.S. Contributions to The Henry George School of Social Science are deductible from your gross income when making your federal Income Tax return.

How to Secure the German Indemnity

The current contribution to the "Old Timers Series" is from the pen of JOHN S. CODMAN, *Boston business man, musician, sports enthusiast and indefatigable worker in the cause of economic enlightenment. Mr. Codman's article is reprinted from the April, 1919, issue of* The Dial, *popular liberal monthly of its day. The basic principle enunciated therein are as applicable today as when voiced by the author twenty-four years ago.*

It is the article only—not the author—that qualifies as an "old timer." Though the calendar may suggest seventy-five or so, calendars are notorious liars in such matters. Mr. Codman's interests are as keen as ever and his facility at pungent and effective writing no whit dulled, as his article, "The Three Basic Rights," in the March issue of THE FREEMAN *abundantly proved.*

★ EVERY man who will allow his reason full sway rather than his passions and emotions, every man who cares more about the restoration of Belgium and France and the other countries devastated by the Germans than he does about punishing the Germans for the devastation, must realize that the only practical way to secure the great financial indemnity demanded on behalf of the devastated countries is to set the German people to work in productive enterprise. There is, however, a real fear that if this be done the payment of the indemnity may turn out to be a boomerang injuring those who receive it more than those who pay it. This fear among the statesmen of the Allied nations is well expressed by Lloyd George in a speech made at Newcastle on Nov. 29 last, in which he said that Germany must pay the cost of the war up to the limit of her capacity, and then uttered these words: "But I must use one word of warning. We have to consider the question of Germany's capacity. Whatever happens, Germany is not to be allowed to pay her indemnity by dumping cheap goods upon us. That is the only limit in principle we are laying down. She must not be allowed to pay for her wanton damage and devastation by dumping cheap goods and wrecking our industries." In other words, the danger appears to be that if the Germans are allowed opportunity to produce and exchange, their competition will wreck the industries of other nations, causing unemployment and disaster. Already with the end of war, unemployment is becoming a serious problem everywhere. How then can the Germans be put to work without lessening the opportunities of employment for the peoples of the Allied nations?

There is one way, perhaps, of side-stepping the whole question of giving Germans employment. It can be done by excluding them altogether, or in part, from access to the natural resources of their own country and then securing the indemnity by developing those natural resources by means of Allied and American capital and labour. To be sure, we could hardly say that under such circumstances the Germans would be paying the indemnity. They would simply be deprived of the opportunity to pay; the Allies therefore would have to pay themselves, merely securing the advantage of free access to Germany's natural resources.

In addition, in so far as the Germans were deprived of access to their natural resources, their mines, their agricultural lands and so on, they would become unable to help themselves and would therefore starve or become the objects of Allied and American charity. Neither of these alternatives can be considered. On humanitarian grounds alone the first alternative is out of the question; and further, in either case, a stupendous army of occupation would be required to war upon the German people whether the object were to pauperize them or to starve them. We cannot avoid, therefore, giving employment to the German people if we desire the indemnity paid, and the larger the indemnity demanded the greater must be the opportunities afforded to German labour.

It might be thought, however, that if German labour must be employed, then at least it should not be employed for the profit of German capitalists, but should be employed directly in the service of the Allied nations; and it might be suggested, therefore, that Allied capital, or confiscated German capital, or both, should be used in the employment of Germans in Germany. But to this suggestion of directly diverting capital to the employment of Germans in Germany all the labouring men in every Allied country would protest. They will insist that, at this time of all times when employment appears to be scarce, all capital available shall be employed at home.

Another plan of securing reparation, which has actually been suggested, is that German labourers shall be forced to go into Belgium and France and there be made to repair the actual damage done, rebuilding the shattered cities and towns, repairing the damaged mines, and restoring the devastated fields. This would look like stern justice to some people, who fail to consider that the particular Germans forced into this slavery would almost surely be those least responsible for the outbreak of the war and the atrocities committed in carrying it on. Justice aside, however, it is certain that any such plan would be condemned at once by the labouring classes of the devastated regions. They would no more permit their jobs to be taken away from them in this way by Germans than they would permit the government to use convicts as strike breakers. This plan, too, is entirely out of the question.

It appears then that after all it will be necessary to permit the Germans to exploit their own resources by their own labour and capital; and that the more quickly and effectively they are able to produce, the more quickly will the Allies receive the indemnities demanded.

But does it follow that the Allied nations and ourselves should trade with the Germans? If it will enable the Germans to produce more quickly and effectively, it would seem that the Allies ought to allow trade with them, and we also, if we desire to help the Allies; but if, as Lloyd George seems to think, the dumping of cheap goods will wreck British industries, or our industries, then surely we ought to think twice about it. How to secure indemnity to a nation without injuring the nation getting the indemnity, seems in truth to be a real puzzle despite the apparent absurdity of the idea at first thought. It may be that Lloyd George, in warning against the dumping of cheap goods, refers only to the practice of selling goods in a foreign country at less than the cost of production. This seems unlikely, however, since any goods cheap enough to be imported from Germany, whether sold at less than cost or not, would, if imported, displace similar goods in the markets of the importing country and would, therefore, be just as likely to wreck home industries.

What is more, it would seem that cheap goods from France or Italy or from this country would also wreck the industries of Great Britain. If, therefore, Lloyd George is to allow the importation of such goods, he is in the position of permitting the destruction of British industries out of deference to his Allies; or if, on the other hand, the danger from cheap goods is imaginary, he is then in the position of penalizing the Germans for no reason at all—with the result that they will be less able to pay the indemnity.

In fact, if the cheap goods argument is not a fake, it might be suggested that a good way for the Allies to deal with Germany would be to prevent her from exporting anything to the Allied countries and at the same time to forbid the German government to establish a tariff on Allied goods imported into Germany. In this way it might be argued that the cheap goods would go into Germany instead of out, and thus it would be the German industries that would be wrecked rather than those of the Allies.

The first objection to this suggestion is that wrecking German industries would hinder the payment of the indemnity. Second, however, and more important, the plan would not work out as above supposed because if the Germans could not export anything they would have no means of paying for the imports, and for that reason no imports would there be.

To some it would seem that the best plan would be to allow nature to take its course, or in other words to permit trade between the Germans and other peoples without governmental interference. It is certain that if this were done, trade would soon spring up not only between Germans and English, between Germans and Americans, but also even between Germans and French. Unless trading is mutually advantageous to the traders, it will not take place. On the other hand, if mutually advantageous, nothing will stop it except direct governmental interference. Perhaps the interference of government with the trade of its citizens may not always be harmful, but at all events it is certain that if the Allied governments are all going to put restrictions on German trade, the Germans will not be able to pay the indemnity as soon as they otherwise could. Unless they can import raw materials, their industries cannot prosper, and unless they can export their manufactures to pay for the imports, then they cannot obtain the raw materials. They will have to be sufficient unto themselves, using only their own raw materials which are limited in character; thus their productive powers will be stunted and the indemnity will be hard to exact. Moreover, too much economic pressure on the German people will drive them into a bloody revolution; then all hope of getting reparation for Belgium, France, Serbia, Poland, and Roumania will be gone.

The conclusion seems to be unavoidable that the Allies ought, for their own sake, to permit the Germans to exploit their own natural resources with their own labour and capital, and ought to accord them also liberal trading privileges in order to increase their productive power. The Allies might very wisely go even further, however, and in order to insure that the productive power of the Germans shall be increased to a maximum, they might dictate to them just how the revenue required to run the government and pay the indemnity should be raised. The Allies may well insist that the method adopted be one that will stimulate productive effort, that will encourage the enterprising and industrious Germans, and will prevent the monopoly of economic opportunities.

This can best be done by making all owners of agricultural land, of mines, of water power, and of valuable urban sites pay over for the benefit of the Allied governments as indemnity the full rental value of the exclusive privileges enjoyed through such ownership. These payments should not include rental for agricultural improvements, nor for mine shafts and machinery, nor for hydro-electric installations, nor for buildings of any kind, but only rental for the privilege of exclusive access to natural resources.

Such a plan ought to be welcome to the great mass of the German people. Sentimentally, it would make little difference to the factory hands, to the peasants, to the tenant farmers, to the employers, and to the owners of German capital if the rent which had in any case to be paid to the discredited Junker and landlord class were simply passed on to the allies to settle the indemnity. Practically, however, the plan would be of great advantage to the productive and enterprising classes since, in the first place, they would be relieved of taxation to just the extent that the Junkers had to pay; and—what is more important—access to natural resources would no longer be open to them only at exorbitant prices, or closed to them altogether. The power of the land-owning class to withhold natural resources from use or to demand for their use industry-prohibiting rentals would be broken. Being obliged to

The Taxation of Land Values in California

As the writer of this article states, "If there is one basic principle imbedded in our Constitution, constituting its very warp and woof, it is the so-called 'doctrine of immunity,' which means that Congress is wholly lacking in power to interfere, directly or indirectly, with the borrowing power of a State or any of its political subdivisions, or to control or regulate in any degree the tax rates on local property contrary to the State laws."

How this principle is being attacked in California, the State which has gone further in the collection of economic rent than has any other in the Union, is related here by J. RUPERT MASON, *San Francisco business man, a nationally-recognized authority in irrigation and reclamation matters and the leader in the fight to prevent his State's forward-looking legislation from being scuttled.*

★ ALTHOUGH THE "market value" of land reached boom levels during the nineteen twenties in both Florida and California, the deflation and losses by citizens who did not unload before 1929 were much more drastic in Florida than in California. The losses and ruin to those who had paid high prices for title deeds to land in these and other States was a very real contributing factor in creating the 1929 panic without any doubt. There is a reason why the profits of California land speculators never attained the dizzy heights of their brethren who operated in Florida lands, and too few know just what that reason is.

Henry George, who lived and wrote in California, is the man that should be thanked by those who have lost money speculating in land in that State, because, had it not been for him and the influence of his writings, their losses would surely have been much greater. The year his famous book "Progress and Poverty" was finished (1879) the following provision was incorporated in the Constitution of California and is still there:

> "The holding of large tracts of land, uncultivated and unimproved by individuals or corporations, is against the public interest, and should be discouraged by all means not inconsistent with the rights of private property."

Since then, the Legislature of California has enacted laws which permit many different kinds of local units of government to collect their necessary revenues from annual taxes levied strictly in proportion to the assessed value of the land, and exempting from taxation all buildings or improvements of every sort. These units have borrowed large sums under such laws to finance the cost of public improvements such as roads, irrigation and drainage systems, hydro-electric power and municipal distribution systems, etc. The climate of California, being arid and semi-arid, it has been necessary

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pay over to the Allies the full rental values of the natural resources, whether used or unused, the landowning class would be under the imperious necessity of renting or selling to the industrious classes, or of giving them employment. No longer would it pay to own land and other natural resources merely to draw tribute from others.

The plan would redound enormously also to the advantage of the Allies. With free access to the natural resources and raw materials of industry, unemployment among the German people would largely disappear. With the German people all busily engaged in productive enterprise, the indemnity which the Allied nations desire to obtain as quickly as possible would be forthcoming in a remarkably short time, and the fear, moreover, that Germany might become a plague spot of revolution and anarchy, or be restored to its former autocratic masters, would soon fade away.

At this point, however, the reader may protest that if this plan be carried out, the German people, freed from the shackles of monopoly, will be on the high road to become the most prosperous and happy people in Europe, if not in the world—and this as a reward for their guilt in bringing on the most criminal assault on civilization in all history. True, but nevertheless the Allied peoples will have got what they wanted, namely, quick payment to the people of the devastated regions and a stable government in Germany, one neither aggressive nor anarchistic because of the happiness and contentment of its people.

If, finally, the question arises, how then should the Allied peoples gain an equal prosperity and contentment, the answer is plain: Let them, too, destroy the monopoly of their natural resources by forcing the holders to pay in full for the value of their privileges, payments not to be made to any foreign governments, but to their own governments to be used for the benefit of all the people. Then the preposterous phenomenon of unemployment will disappear from among the Allied nations as well as in Germany; the labouring classes, freed from the competition of the unemployed, will secure the full value of their labour; and the great captains of industry, freed from monopolistic exactions, will be able to establish greater industries than the world has yet seen, in which the savings of the workers will be invested.

Then will the time come when a League of Free Nations will be in truth a permanent reality and the peace of the world will be definitely assured.

to construct vast water storage and supply reservoirs, canals, pipe lines, etc., for both domestic and irrigation needs during the long, rainless summers in all parts of the State. Instead of the State undertaking such public works directly, it enacted the law, widely known as the Wright Irrigation District Act of 1887. The obstacle encountered all too often by the Districts formed under this Act was big landholders who would neither improve the land, nor consent to let any one have it who would cultivate it.

After years of bitter and implacable litigation with such men, friends of Henry George who were in the State Legislature succeeded in getting enacted a history making amendment to the Act (Stat. 1909, page 461), which permitted, but did not require these districts to collect their necessary revenues by annually levying a tax, based on the assessed value of all privately held land, and exempting buildings, planted trees and improvements of every sort from tax. All districts previously organized promptly held elections, to permit their voters to choose under which tax policy they wanted future taxes to be levied. All voted decisively to exempt from taxation buildings and improvements. Since then, some 100 other similar Districts have been formed by vote of the people. These now embrace about 4 million acres of rural and urban land, including many sizable cities and towns. Not a single District has been willing to listen for an instant to any propagandist trying to induce them to revert to the old system of taxing improvements upon the land.

The Constitutionality of this Act has been attacked perhaps more often than any other public act in the history of the nation. It was sustained in three test cases that reached the Supreme Court of U. S. It has been upheld innumerable times by the California Supreme Court. But all of the attacks against it before 1929 pale into insignificance by comparison with those that have been begun since then.

The rental value of the land in these districts, over and above taxes levied to meet district expenses, had been capitalized by 1929, at more than one billion dollars. On the security of this untaxed rent, the banks, insurance companies and other lending concerns had invested many millions as mortgages. More than half of all the country real estate mortgages held by some of the more prominent of these financial institutions were made on the security of the untaxed rent, or "market value" of lands in these Districts. The State law provided that the annual tax or rent charge due the District became the first lien on the land, if not paid when due. If the rent was not paid within three years, the State law provided that title to the land became the absolute property of the District "free of all encumbrances," including mortgages or other private liens of whatever description. Thousands of mortgaged landholders found it impossible, soon after 1929, to keep up the payments on their mortgages and also to pay the rent required by many districts. This meant that it was up to the mortgage holders to put up the rent due the Districts, or see their mortgages wiped out, within 3 years.

Then began the most active campaign imaginable to get the law changed in various and devious ways, but always aimed to give the holders of mortgages more time than the law permitted, or in some way strengthen the rights of the mortgage holders by weakening the right of the districts to collect the rent due them, which ranked ahead of any property right belonging to any mortgage holder. Any reader interested in further details and the citations of the many court decisions by both state and federal courts in this connection is invited to make any inquiry desired through the Editor of THE FREEMAN.

In more than one District the operation of the law resulted in all mortgages and private liens being completely wiped out when the holders of such loans discovered that the District required the full rent value of the land in order to meet its expenses. Thus, the land in those Districts was relieved of the burdens previously resting upon it, and the law empowers each District to hold, lease, operate or sell any and all land that it acquires for unpaid rent or taxes, and the District is then entitled to the "rents, profits and issues," in lieu of those who had been previously appropriating the untaxed rent. But, this was too bitter medicine for the mortgage holders. They got Congress to enact the so-called "Municipal Bankruptcy Act." The U. S. Supreme Court held this act unconstitutional. In its decision that Court said:

> "Our special concern is with the existence of the power claimed—not merely the immediate outcome of what has been attempted already. . . . The difficulties arising out of our DUAL FORM of government, and the opportunities for differing opinions concerning the relative rights of the State and National governments are many; but for a very long time this Court has adhered steadfastly to the doctrine that the taxing power of Congress does not extend to the States or their political subdivisions. The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause. . . . Neither consent nor submission by the States can enlarge the powers of Congress."

But a little thing like a decision by the Supreme Court of the United States against them did not for a moment discourage the mortgage holding pressure interests. It was not long before another law, amended but slightly and designed to accomplish the same purposes, was passed by Congress. The amended statute got through with virtually no hearings by the Committee on the Judiciary of either Senate or House and virtually without debate or discussion on the floor of either House. It is 11 USCA 401-404. Meanwhile, several new judges were appointed, and they ruled that the Act is not beyond the power of Congress to pass. (304 U.S. 27)

Therefore, the law now seems to be that it lies within the powers of Congress to confer jurisdiction on its Courts to "save" any land or mortgage holder who

fails, neglects or refuses to pay the taxes or rent to the State as required by valid and binding State law, and to permit mortgages to escape the penalties fixed by State law, and to allow their holders, instead of the Districts, to pocket future ground rent, notwithstanding that the right of the District to such rent is ahead of that of any holder of a mortgage or other lien of any description upon the land. Hence, all previous interpretations of the powers belonging to the Congress have now been enlarged, to include control over the heretofore sovereign power of taxation belonging to the States. Always before the Courts have ruled that Congress has no more authority to release citizens from their lawful obligation to pay taxes due to a State or to one of its arms of government, to whom the State has confided its taxing power, than a State would have to release citizens from their duty to pay Federal income or other Federal taxes. Given this new power, there can be little question but that whenever the private appropriators of ground rent feel that State or local government taxes are taking more of the rent than they are willing to surrender, they can get "relief" from such obligations from the Federal Congress, and no State can stop it.

> "Congress may withhold jurisdiction from the State courts over any matter within the judicial power of the United States." Kalb v Feuerstein, 308 U.S. 433. (U.S. Supreme Court)

The private appropriators of rent in Germany were a little more direct in their scheme to change the laws of that country. On January 30, 1934 the German Reichstag passed the "Reconstruction Act," which provided in the First Article: "The representative assemblies of the States are abolished"; and in the Second Article: "The sovereign rights of the States are transferred to the Reich." Thus, Nazism was born in Germany. From that time, it was a simple matter to capture control of the Reichstag, and the powers and duties previously belonging to the States involving civil rights and land tenure rights were gone.

What effect this about-face on the part of our Supreme Court will have on any future attempt by the States to compel the private holders of land to contribute more rent towards the support of the State or one of its local arms of government is quite unpredictable. Given any power in that regard, there is no limit to the extent to which Congress can exercise the power when asked to do so. Any power residing in Congress is supreme over any attempt by the States to exercise the same power. (287 U.S. 261, 265.)

California applied its taxing power upon the value of land in the many hundreds of irrigation, road, and other public improvement Districts to a greater extent than has any other State, and perhaps any other nation, with the possible exception of Soviet Russia. The struggle to sabotage these State laws by selfish interests in seeking to direct more of the rent into their own pockets, has gone on incessantly for many years.

It does appear, at the moment, that they have succeeded, and the most alarming thing about it is the reluctance of attorneys generally to take enough interest to read the conflicting decisions by the Courts, and take any active interest in the struggle. They, all too often, are busy with cases of clients interested in collecting rent, rather than in surrendering more of it, to the State. That those who drafted our Federal Constitution foresaw this conflict appears crystal clear from reading The Federalist Essays, Nos. xxx to xxxvi, by Alexander Hamilton.

> "Suppose again, that upon the pretence of an interference with its revenues, it (Congress) should undertake to abrogate a land-tax imposed by the authority of a State; would it not be equally evident that this was an invasion of that concurrent jurisdiction in respect to THIS SPECIES of tax, which its Constitution plainly supposes to exist in the State governments? * * a law for abrogating or preventing the collection of a tax laid by authority of the State, (unless upon imports or exports) would not be the supreme law of the land, but a usurpation of power not granted by the Constitution." (The Federalist, No. xxxiii.)

This interpretation of the limitation on the powers vested in the Congress has been adhered to steadfastly in scores of cases decided by the Supreme Court of the U.S. for about 150 years. It would appear, however, that this interpretation does not find approval with the present members of the Supreme Court, although they have never squarely reversed the so-called rule of apportionment they laid down in the famous Pollock cases (157 U.S. 429; 158 U.S. 601); which is construed by many eminent lawyers to mean that Congress has no power to impose any tax based on the value of land, excepting under such rigid restrictions as would make the statute unworkable in practice. There are some recent decisions which may pave the way to modify that obstacle, and it is confidently believed by some that the present Court would uphold the Constitutionality of a simple statute to subject all privately held land to a Federal tax, in proportion to its value, and without requirement that the funds so derived be apportioned among the States, according to population.

Readers of this article are urged to discuss this with their friends in both the State and National legislatures, and with others, because the appropriators of private rent are working night and day and there is no assurance they will stop short of the total centralization of all powers in Washington, just as their fellow travelers achieved a similar end under the so-called "Reconstruction Act," enacted by the Reichstag January 30, 1934.

Eternal vigilance is the price of liberty, everywhere!

Tariff reformers are men who have too much sense to be protectionists but not enough to be free traders.

The BOOK TRAIL

NATURE STUDY—PLUS

"Nature Lore, or Listen to the Voice of Nature," by Dr. H. P. K. Agersborg. Published by C. C. Nelson Publishing Co., Appleton, Wisconsin. 1941-1942. 6 Volumes.

If you are an outdoor person in the sense of one who forgets self in contemplation of the unique and the ordinary in nature, Dr. Agersborg's writings will make your future field trips more interesting. If you are one whose love of nature runs to reading more or less scientific accounts of the habits of animals and the nature of plants, you will want to add these six volumes to your library. If you are the athletic type to whom the naturally rustic is an opportunity for physical self-expression, here are recommendations whose adoption by our state and national agencies will improve your recreational sites. Indeed, every American will be a more intelligent member of our democracy if he reads H. P. K. Agersborg's analysis of erosion control and the conservation of soil, water, wildlife.

With the scientific information this Norwegian-American has to give, the reader must take a full measure of his moral concepts, for Dr. Agersborg is a warmly religious man as opposed to the pantheist. He says: "Listen to the voice of nature and you will hear truth." In effect: "Obey her natural laws and your problems will be solved, as they were intended to be." You may or may not agree unequivocably with him that only where the teachings of Christ have been accepted and practiced do we find the highest culture, the greatest blessings of civilization available to the common man. Certainly this reviewer is not enthusiastic over the poetic value of the author's occasional verse. But there is much technical knowledge presented in entertaining non-technical language in these small volumes intended to aid the high school and normal school student and young people's groups but of value to the adult as well.

Chapters briefly descriptive of some one animal sound like Uncle Remus sans dialect. Provocative shorts are headed: "Does the Bass Think?", "Matrimonial Standards of a Goose," "What Is a Bastard?" There are practical sections on the nature of food, the economic importance of predators, mosquito control, or suggestions for establishing a park museum, and much space is devoted to the author's favorite topic, aquaeculture.

At present Dr. Agersborg is interested primarily in the problems of the modern United States, that are associated with restoring the productivity (economic and aesthetic) of millions of square miles of land which have been despoiled needlessly, and preventing further similar waste. As a former member of the U. S. National Park Service the author is in a position to know what has been done in the way of conservation and reclamation of our nation's resources. As a biologist he points out the unsatisfactory program thus far followed by the government agencies, composed almost wholly of business men, engineers, foresters and some medical men but lacking in biologists. Attention to politics and good intentions backed by little scientific knowledge to date have wasted huge public funds. Dr. Agersborg urges the appointment of biologic specialists to these bureaus and a fundamental change in the attack on the job in hand. His analysis is painstaking and his recommendations are specific and exhaustive. It would seem that men such as Dr. Agersborg should be heeded in the interest of the public weal.

The more you leaf the pages of these books the oftener you will find yourself pausing to admire a fine illustration, of which there are very many, or examining critically a drawing of a plant or an animal, or reading of the significance of fences and old stone walls (when you become nostalgic). The author loves his work, to the point where the naturalist becomes the evangelist, and his spirit is catching. Nor does the attention to detail tire the reader for, following perhaps a lengthy piece "On the Nature of Sewage and Waste in Relation to State Park Emergency Conservation Work" he will find a page answering the question "What Are Seeds?" in so simple a manner that he is tempted to earmark the page for reading to the small fry when they put such a question. A homey account of Christmas in the land of the author's boyhood will balance some facts on sea-snails from the coast of Norway.

While the sophisticate may be annoyed with moralist Agersborg, some of the charm of these small volumes for the reviewer lay in such a bit as "A Turtle-Man" with which Volume V closes. . . . "People are sometimes like the turtle sitting by the roadside, waiting for the world-with-all to come to its door. They are quite satisfied with staying put, keeping what they've got, unaware that a fuller life, richer and stimulating, can be attained by merely risking one's neck a little. The fact is, humanity never has progressed except through the risking of someone's name, fame, and fortune. He who never dares to face his fellow's displeasure, because of his honest and sincere convictions in matters pertaining to life in general, professional, sociological, economical, religious, philosophical, or moral, is likened unto a reptile which sits by the roadside and ekes out a mere living; whereas, he who loses his job (life) for others will find it. One can live more fully for others, when one first risks in order to obtain a fuller life for oneself. The old adage: 'He who does not risk, cannot win,' is again demonstrated." Man was made to venture, and, as the author makes abundantly clear, the better his understanding and compliance with natural law, the more successful will his venturing be.

—Frieda Wehnes

CALLS BOOK REVIEW UNFAIR

✶ I have just read in the current issue of THE FREEMAN what purports to be a review of my book—"An Economic Program for a Living Democracy." I must say that it represents a new low in book reviewing, especially for a publication devoted to the discussion of economic theory. Mr. LeBaron, out to commit a literary killing, has wielded his pen in a more reckless and shameful fashion than a gangster would his gun. Since his review told little about my book, his chief purpose being to parade his own profundity (?), I take the liberty of pointing out the following:

1. LeBaron says my program is "Socialistic or projected New Dealism." (Some one ought to tell him the difference between the two.) It is hardly "New Dealism," since a substantial portion of the book is devoted to showing that the many New Deal regulatory laws added each year is bringing us ever closer to the regimentary economies adopted in Fascist states. I tried to make out a strong case for more freedom from regulation and taxation for private enterprise in those areas where free competition is possible.
2. As to whether my proposal is "Socialistic," I emphasized that labels are unreliable guides, since Fascists appropriate words like "Socialism" and "Social Justice" and, I might now add, since bigots embrace the name of Henry George, if not his philosophy. LeBaron boils because I advocate government ownership and management of enterprises in those areas where "public enterprise would be more efficient than private." He should be told that this is precisely what Henry George advocated. A portion of my book is devoted to proving that point. Abraham Lincoln, John Stuart Mill, and other eminent social philosophers preached the same thing. Perhaps LeBaron ought to lump them all together as "enemies of freedom."
3. In one paragraph of his review LeBaron assembles widely scattered phrases outside their context and breaks them up in such a way as to utterly distort my real meaning. To put the record straight here would make this letter far too long.
4. In my book I proposed the public acquisition of all land, either by outright purchase now or by gradually increasing the taxes on bare land and decreasing them on the improvements until we reach the single tax stage. No one would suspect from your review that this very fundamental Georgist objective is a dominant feature of my book.
5. In addition to the land, I urge the purchase of all monopolistic industries—railroads, power companies, telephone systems, etc. This is clearly in harmony with what Henry George stood for.
6. I also urge that in semi-monopolistic fields in which anti-social practices have developed, the government shall, instead of resorting to regimentary control laws, (which you also abhor) either offer to purchase such enterprises or set up social competition as a test to determine which is most efficient in that field. That, too, is something that Henry George favored under the principle that government shall engage in those enterprises in which it can "do for the mass of individuals those things which cannot be done or cannot be so well done by individual action."

Would any reader of LeBaron's review suspect, that the above mentioned proposals are contained in my book; that I am essentially a disciple of Henry George and was even awarded at one time a "diploma" by the George School of Social Science?

I trust that THE FREEMAN will try to make amends for the irresponsible statements contained in its pages about a book which should have received in your columns sympathetic consideration, to say the least. Some of us may have honest differences of opinion over the meaning of portions of Henry George's philosophy. But no publication devoted to his memory ought to tolerate for one moment the Hitlerian tactics which your reviewer applied to my book.

Chicago IRVING H. FLAMM

The Theatre

Sidney Kingsley's Historic Drama, "The Patriots," Reviewed by Lancaster M. Greene.

A Virginia boy was born with a silver spoon in his mouth. He grew up a slave owner, a great land owner and the epitome of culture; and he became one of the greatest advocates of equality of opportunity, of justice for the poor and the rich alike, that history has ever known.

A West Indies boy was born around the same time of poverty-stricken parents, who were illegitimate parents as well. The struggle to keep body and soul together was this child's schooling, with the life of a soldier thrown in to make sure he missed none of the seamy side of life. This hard youngster became a lawyer, and although born of the people, a staunch advocate of rule by an aristocratic class.

George Washington brought these men of opposing philosophies together in his cabinet where their great talents might have unlimited scope of action in the greatest political experiment of all time, the founding of the United States of America. The clash between the poor boy's dream of government by the rich landowners and the rich boy's dream of freedom and justice for all is a battle of logic and emotions, with our country's economic and political future in the balance. For the rich boy was Thomas Jefferson and the poor boy Alexander Hamilton.

Sidney Kingsley has made it possible for all of us to have the startling thrill of being present at the birth of our republic, of actually waiting tensely to find out whether our government would take the form of a democracy or a monarchy. I for one wondered from time to time on which side I should cast my ballot, and the audience seemed to sway with the arguments, first toward Hamilton, then toward Jefferson, in the effort to decide wisely the future of the very people in the

NEWS *of the* Crusade *for* Economic Enlightenment

Passing of John Anderson

NEW YORK—The following is taken from the *Montreal Daily Star* of April 5, 1943:

A funeral service will be held at 2 P.M. tomorrow at Emmanuel United Church for John Anderson, retired vice-president of Standard Brands, Limited, who died suddenly of a heart attack yesterday at his residence, 464 Roslyn avenue, Westmount. He was 81.

A native of Pembroke, Ont., Mr. Anderson entered the accounting department of the Canadian Pacific Railway after graduating from Pembroke High School. He joined the staff of Chase & Sanborn in Montreal in 1885, later becoming resident Canadian partner. He became vice-president of Standard Brands in 1929 when that company was amalgamated with Chase & Sanborn. He retired in 1938.

Mr. Anderson was president of the Julius Richardson Convalescent Hospital, a board member of the Montreal General Hospital, chairman of the Montreal branch of the British Dominions Emigration Society, president of the Henry George School of Social Science, vice-president of the Mount Royal Cemetery Company, treasurer of Emmanuel Church, chairman of the board of the Islesmere Golf & Country Club, a past president of the Rotary Club, and a member of the Heather Curling Club.

Surviving are a daughter, Mrs. Gordon W. Scott; three grandchildren and one great grandchild, all of Montreal. The former Jennie Nixon, of Perth, Ont., whom Mr. Anderson married in 1884, died in February, 1940. An only son, R. Laurie Anderson, died in December, 1939.

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It was but a few weeks ago that Mr. Anderson wrote, in response to a request for an article from the Editor of THE FREEMAN, "I am not what you would call a good writer, . . . but here is a feeble effort." How over-modest was that statement is evidenced by "the feeble effort" itself which appears in the editorial columns of this issue of THE FREEMAN under the heading of "Idle Acres; Idle Land."

Shortly prior to Mr. Anderson's death, our Montreal reporter wrote:

"The monthly meeting (of the faculty and staff of the Montreal Extension of the Henry George School of Social Science) fell on Friday, the 26th, and presented an opportunity for the members and friends to celebrate the birthday of Mr. John Anderson, President of the School. The event was held on the mezzanine floor of Scott's Restaurant, Stanley and St. Catherine Streets. The 85 persons present showered congratulations and good wishes on their kindly and ever-popular leader. There were flowers, gifts and telegrams, including a message and a bouquet of flowers from Miss Margaret E. Bateman, Director of the Henry George School in New York, who with Mr. Anderson organized the first class and subsequently the Montreal 'extension' of the New York school."

John Anderson always encouraged the Montreal graduates to continue the school. He said that after fifty years of effort in which he had made five or ten followers or students of Henry George, it had been possible through the school to see more than five hundred enthusiasts over a five-year period. There is no question that his Montreal friends will see to it that his good work shall be carried on.

Spring Classes Underway

MONTREAL—Four classes in Fundamental Economics and one in International Trade have completed their courses at the Montreal Extension of the Henry George School of Social Science since the first of the year, and the opening of the spring term finds two in the Fundamental course and one in Trade already under way. In addition a group of advanced students recently began the study of money and its uses, employing as a textbook Crowther's "Outline of Money."

Forty-five students and friends attended a dinner at Scott's Restaurant, March 19 and listened to talks by two recent graduates, Miss Elsie Gillespie and Mr. G. Ehrlich. Another feature of the evening was a discussion of the Beveridge Report, led by Mr. J. Thompson. Mr. John Anderson, President, gave a brief report of school activities. Mr. George Chartrand was Chairman of the evening.

Another Georgist Checks In

NEW YORK—Mr. and Mrs. Donald Marcellis, Bay Ridge, Brooklyn, announce the arrival of a son, Danny, on April 7. If young Danny takes after his father it won't be long before he'll be talking Georgism in a highly interesting and enlightening fashion.

Already a Speaker

NEWARK—A graduate of the New Jersey Extension of the Henry George School who is enrolled for the Teachers' Training Class is supplementing her preparatory work at the school by a course in Public Speaking under Dale Carnegie. Telling of her first session of the speaking class, the young lady said: "I have great difficulty in expressing myself, and so I felt rather nervous, as I imagine the others did, too. When my turn came, I simply told them that I was taking the course in order to perfect my delivery and that I wanted to present my chosen subject, the philosophy of Henry George, as effectively as possible. I then spoke briefly about the philosophy. I was gratified that after class a number of the members came to me with questions, and a very interesting discussion followed."

Toronto, Hamilton and Ottawa

NEW YORK—From "The Square Deal," published by The Henry George Society of Toronto, Ernest J. Farmer, editor, it is learned that classes in Fundamental Economics are being conducted in Toronto, Hamilton and Ottawa.

The "Square Deal" also reports the death, as of December 31, last, of Walter J. Ingram, for many years a member of the Executive Committee of The Single Tax Association and The Henry George Society.

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audience. The final decision went to Jefferson, and when he was inaugurated in 1801 as the third president of the United States, it was with the approval and cooperation of Hamilton who felt that the event was conducive to at least the immediate good of the country.

To be an eye-witness to such moving events, virtually a participant in the historic debates concerning the rights of man and the matter of protection or free trade, not only with foreign nations but between the states of the infant union, is an experience not readily to be forgotten. It is one which not only deepens the understanding but strengthens the resolve that every child that comes into this world should have the inestimable privilege of hearing and forming his own views on these great arguments of principles.

In "The Patriots" we have an opportunity to be on the inside in the making of history. The most erudite of us will count himself a better educated man after he has seen this play, or at least familiarized himself with the monumental arguments with which the question of Association in Equality versus Rule by Aristocracy was debated.

The Pulitzer Prize may well be awarded to Sidney Kingsley for "The Patriots."

HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

30 EAST 29TH STREET, NEW YORK

Extension classes are conducted in a number of cities, new ones opening from time to time. Inquiries regarding their location and concerning the School's Free Correspondence Courses in Fundamental Economics and International Trade should be directed to New York City Headquarters. Permanent extensions, and secretaries, are listed below:

CALIFORNIA:—
William B. Truehart, 3510 Larga Ave., Los Angeles
Harry M. Ferrell, 232 N. Berendo St., Los Angeles
Miss Grace A. Johnston, 2860 Telegraph Ave., Berkeley
Grant W. Webster, 3140 Thorn St., San Diego

CONNECTICUT:—
Nathan Hillman, Room 203, 49 Pearl St., Hartford

ILLINOIS:—
John Lawrence Monroe, Room 1304, 111 W. Jackson Blvd., Chicago

MASSACHUSETTS:—
Henry George Institute of New England, 90 Beacon St., Boston

MICHIGAN:—
William J. Palmer, 886 Dickerson Ave., Detroit

MISSOURI:—
William E. Hoeflin, 5845 Devonshire Ave., St. Louis

NEBRASKA:—
George B. Greene, 2228 Emmet St., Omaha

NEW HAMPSHIRE:—
Heman Chase, Alstead

NEW JERSEY:—
William L. Hall, Room 29, 1 Clinton St., Newark

NEW YORK:—
Willis A. Snyder, 802 Columbia St., Hudson

PENNSYLVANIA:—
Julian P. Hickok, 315 Zeralda St., Philadelphia
Robert C. Bowers, 729 Bakewell Building, Pittsburgh

SOUTH DAKOTA:—
Arthur G. Linahan, Suite 9-10, Lakotah Building, Sioux Falls

CANADA:—
Miss Strethel Walton, Room 303, 1502 St. Catherine St., W., Montreal
Robert Wynne, 30 Victoria Avenue S., Hamilton, Ontario
Ernest J. Farmer, 48 Fulton Ave., Toronto, Ont.

ALASKA:—
Jim Busey, Valdez

Teachers' Training in Jersey

NEWARK—The summer session of the Teachers' Training Course of the New Jersey Extension of the Henry George School of Social Science will be under the direction of W. L. Hall, Secretary of the New Jersey School, who succeeds A. M. Goldfinger. Recommendations for admittance to the class, which is by invitation only, are already being received from members of the faculty. Because of the school's expanding program, and the depletion in the teaching staff due to the demands of war, school officials are hopeful that a wealth of new teaching material may be recruited.

Seeks Greener Pastures

NEWARK—Mrs. Marjorie Carter, for the past year Registrar of the New Jersey Extension of the Henry George School, resigned her position in the middle of April to move to the Carter Farm in Pennsylvania, where she will literally produce wealth by the application of her labor to the land. Her duties at the school will be taken over by Mrs. R. Douglas Badgley. Mrs. Badgley is the wife of an instructor at the school, the sister-in-law of another instructor, and has herself been an active volunteer at the school headquarters, 1 Clinton Street, for some time.

Extraordinary Heroism

NEW YORK—Henry J. Foley, who, in another column, explains a few of the fundamentals of economics to a university president, has two sons, Robert and Frank, in the United States Navy, each holding the rank of Lieutenant Commander. Robert was awarded the Navy Cross on March 16, with the following citation:

"By virtue of the power delegated to me, and in the name of the President of the United States, I take pleasure in awarding to Lieutenant Commander Robert J. Foley, U. S. Navy, the Navy Cross with the following citation:

"For extraordinary heroism in action against the enemy . . . . . you skillfully and daringly manoeuvered your ship into positions from which to strike the enemy, and attacked . . . . . .

"Further . . . . . you expertly manoeuvered your ship to avoid . . . . . damage by the enemy.

"Your actions and conduct are in keeping with the highest traditions of the Navy of the United States."

A. B. CARPENTER,
Vice-Admiral, U. S. Navy,
Commander Southwest Pacific Force

It's a Girl at the Winograd's

Mr. and Mrs. Roman Winograd announce the birth of a daughter, Ann Harriett, born April 1. Mr. Winograd has been a teacher at the New York School for the past several years.

First-hand News from China

NEW YORK—"China Today" was the subject of a lecture delivered by the Reverend Stanton Lautenschlager of Chengtu, China, to a raptly attentive audience in the Auditorium of the Henry George School on the evening of April 12. Mr. Lautenschlager, Professor of Modern History and Sociology in Cheeloo University, drew on his long experience in the Orient for a vivid picture of life in war-stricken China. Canadian-born, Mr. Lautenschlager holds degrees from Kitchener and Waterloo Collegiate Institute, Huntington College, Indiana, and the University of Michigan. He was a pastor in Canada and a teacher in Huntington College before going to the foreign mission field under the Presbyterian Board in 1920.

Prize Essay Contest

EASTON, PA.—April 10 was the closing date for the submission of papers in the prize essay contest conducted by Lafayette College, this city. The subject of the contest, which was open to all students of the college, was "Economic Rent." Prizes aggregating $200, put up by the John and Emma Allen Foundation, will be awarded to the winners during Commencement Week in June. Progress and Poverty by Henry George was among the books recommended for collateral reading by the contestants. The contest was in charge of Professor Frank R. Hunt, head of the department of Economics at Lafayette.

Mr. Allen Writes a Letter

WICHITA, KANS.—Henry Ware Allen of this city, well-known writer on social and economic subjects, recently sent the following letter to the Editor of *The Wichita Eagle:*

"Commentator Fulton Lewis, Jr., was entirely correct in his recent statement that there is no such thing as a science of economics. He was discussing the pitiable economic mess which has resulted from economic planning by the Brain Trust in Washington composed of college professors of sociology and economics. There is, however, a science of political economy, the most important of all sciences in relation to human welfare and of particularly vital importance at this time. This science is based upon justice, natural law, common sense and experience. Its governing principles are as immutable as is the law of gravitation, as exact as the multiplication table. It conforms in every way to the requirements of justice for as was so well stated by Henry George 'Unless its foundations be laid in justice the social structure cannot stand.' Its most important text book today is Progress and Poverty and those who are schooled in this science in every civilized country are in total agreement as to what is needed and just how to get it. Incidentally it demands equal opportunity for all with special privileges to none. Free trade with all other nations and collection by the Government of its own legitimate revenue, economic rent, determined by the rental value of land."

Thanks, Mr. Nelson

I am enthusiastic about THE FREEMAN and want you to know that your good work is appreciated.

Des Moines, Ia. EMIL NELSON

The Beveridge Report

"A blue print for the future, the first complete and practical plan TO ABOLISH WANT, . . . the economic Magna Carta of our times, . . . the first symptoms of a reshaped world," is part of the description of an advertisement in *The Nation* of February 13th, by the American publishers of "The Beveridge Report."

The Beveridge Report contains 200,000 words and is the result of the efforts of Sir William Beveridge, chairman of an interdepartmental committee to survey social insurance and allied services, appointed by the British Government in June, 1941.

"Britain," issue of January, 1943, published by the British Information Services, Rockefeller Plaza, New York City, contained an article by Sir William Beveridge which gave the gist of his report. He tells that the plan of his report he got from the precedent of New Zealand. He states: "The plan for Britain is based upon the contributory principle of giving enough free allowances to all from the state, of giving benefit as a right in virtue of contributions made by the insured persons themselves, as well as by their employers and the state."

The People's Advocate, a Georgist publication, published at Adelaide, Australia, issue of June 21, 1937, contained an article in detail, of a plan of "social insurance," which was being advocated by the then Federal Government in power. The Beveridge Report bears a close resemblance to the plan advocated in Australia in 1937. The editor of *The People's Advocate* took the "social insurance" plan then advanced, apart. Among other things he pointed out a joker in the plan and this criticism applies to the Beveridge Report one hundred per cent.

He stated that: ". . . Government, as such, does not produce any wealth. It secures it by levying taxation upon wealth producers, and its contribution to the Insurance Fund is likewise raised by taxation. Therefore a careful examination of the position reveals the fact that the worker pays his share direct, he pays the employer's in the prices of commodities, and he pays the Government share by taxation. In reality he pays the whole contribution. How can such a scheme really have any beneficial effect upon unemployment?"

The *New York Times* of March 17, 1942, told of the death of the Duke of Atholl, at Pertshire, Scotland, where he had held title to 202,000 acres of land, which had come down through the family as a feudal fief. In May, 1938, the same paper told of the sale of half of the City of Cardiff, Wales, by Lord Bute, for one hundred million dollars. His Lordship still holds 117,000 acres of land.

There are only three ways by which a human being may attain a living on this earth; by labor, by charity, by theft. We wonder if the Beveridge Report is not a scheme to soak those who labor and to cover up those that live by theft.

New York H. ELLENOFF

Letters to the Editor

Calls Picture Distorted

Lancaster M. Greene's article, "Land Value Taxation in New Zealand," in the March issue, lays happy stress on the existence of such taxation in that country. Unfortunately, however, it gives neither a true nor complete picture of actual conditions.

Since 1936, when the Labor Party put over its social reform program, the citizens receive these government "benefits": old-age pensions, hospitalization, life and fire insurance, maternity service, general medical and dental clinics, housing and loans. For all these "free" services, the New Zealander pays as much as 17½ shillings from every pound earned, which is equivalent to about 87 cents out of every American dollar. Taxation is mounting with great rapidity from month to month. Early in 1941 the sales tax was doubled from 5% to 10%; in May of the same year it was re-doubled, from 10% to 20%, which will remain in force for the duration of the war.

Here are further "benefits" received: wealth has been taxed almost out of existence; the 40-hour week had to be replaced with a 54-hour week; the right of a worker to strike has been outlawed; up to her entrance into the war New Zealand had exhausted her credit, could no longer obtain foreign loans, and was practically bankrupt because of the colossal government spending; unemployment was greater than in the preceding 20 years; the government debt amounted to $1135 per capita for every man, woman and child.

This, in short, is the "democracy" of New Zealand.

New York DOROTHY SARA

Boston and Florida, Thanks

I liked particularly the editorial, "Aren't We All?" in the March issue.

Boston JOHN S. CODMAN

When your magazine comes it is like a breath of clear air. I have been wishing to write you more intelligibly concerning it, but feel constrained at least to write something in response to the deeply moving appeal on the back cover, "There is a fellowship among readers," etc. I enclose one dollar and would like you to mail THE FREEMAN to our City Library.

Ocala, Fla. MRS. OLIVE B. MARPLE

Mr. Turner Offers a Monicker

I should like to suggest what I consider a fitting name for the philosophy of Henry George. The "word" started with the thought of "single tax," which is merely *one* of the principles of the Henry George philosophy. Nevertheless it was a good beginning for the "word."

From the word "single" I arrived at the word "unit," and from the word "tax," the sound of "toc" suggested itself to me. And since the thought of a political set-up is a practical dream in the present realization of student interest in the philosophy, so the word becomes "unitocracy," for the philosophy and "unicrat" for its exponent.

Chicago OSCAR A. TURNER

Thank You, Mr. Hines

The poem by George Bringmann, "The Hills Still Stand," was very good. Congratulations to Mr. Bringmann!

Though this is my first experience with THE FREEMAN, I know I am going to enjoy it for some time to come. The articles have a timely note and are absorbing. Much luck to you in carrying on the work of Henry George.

Newport, N. J. ROY HINES, JR.

See Here, Mr. Editor!

When we reflect that Henry George's philosophy enjoys no considerable prestige in academic circles or with the public at large, it appears of very doubtful wisdom for a Georgist publication to mingle its economics with graphology. THE FREEMAN is purportedly a "critical journal of social and economic affairs," and to elevate the quasi-science of graphology to a place under this heading is to cause most of us Georgists furiously to blush.

No movement, no matter how sound its principles, can hardly fail to attract its lunatic fringe, and I presume it would not be difficult to find among us some astrologers and phrenologists who could also point out (after reading his biographies) that George was a "generous" or a "progressive" individual. But their hobbies, like that of Miss Sara's, will not amuse most of us, and certainly deserve no niche alongside such excellent and illuminating articles as Mr. Leon's on patent rights.

New York JOSEPH C. HUTCHINSON

Attack Tariffs First

I am glad to see THE FREEMAN carrying numerous articles and editorials on international trade. More and more people are coming to realize that tariffs do not make for employment or higher wages, as is claimed for them, but that they actually have the reverse effect. They are coming to see, also, that to speak of tariffs and international cooperation is silly. One is the strict denial of the other.

Brooklyn G. T. FROHMAN

I thank God, said Goethe, *that I am not young in so thoroughly finished a world.*

Conditions were certainly not calculated to inspire enthusiasm. All Europe lay prostrate. The passage of Napoleonic and counter-Napoleonic armies had left scars of ravage on the face of every country. Moscow was in ashes. In England, proud victor in the struggles, the masses groaned in abject poverty. Millions of strong men had perished. Millions of acres of land had been neglected or laid waste. Everywhere on the Continent life had to begin at the bottom.

Compared with the desolation that will have engulfed the world before the present holocaust has burned itself out, the conditions which so disheartened Goethe were trivial. But the world recovered then, just as it will now. Goethe was mistaken, just as Schickelgruber is mistaken. The world of that earlier day came back to a new high level of creature comforts; ours will do the same. The unknown factors are merely the time and the manner.

Already visions are taking shape as to the kind of an America we shall make out of this country of ours. In its broader aspects that vision embodies features upon which all men of good will can agree. We shall want an America of which it can never again be said that one-third of the nation is ill-housed, ill-clothed and ill-fed; an America of higher wages and shorter hours; an America where poverty and unemployment are unknown and where crime has been reduced to a minimum. We shall want an America with a higher standard of living and a higher level of public health. And above all we shall want an America from which the fear of war has finally and forever been banished.

That is the kind of an America we shall want and that is the kind of an America we can have, if our leaders possess vision and courage—vision to see wherein true freedom lies, and courage to refuse to settle for anything less.

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THIS PAGE of THE FREEMAN is traditionally reserved for material which, it is hoped—it doesn't always turn out that way—will bring in a flood of subscriptions. When the editor sat down at his typewriter (at home of a Sunday) to do the usual back-cover stint, the foregoing came out. It doesn't say a word about THE FREEMAN, and as a sales talk it would probably rate *nil minus.* NONE THE LESS, if it prompts you to send in five dollars for six subscriptions—gifts to friends—that would be swell! If it doesn't, send 'em anyway. You'll feel good about it, the friends will like it, and we'll love it!

P.S. IF YOU HAVEN'T GOT SIX FRIENDS, we'll pick out the names for you, and tell 'em that they are indebted to you for a year's subscription to a periodical that is—well, there isn't space here to do THAT subject justice.

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