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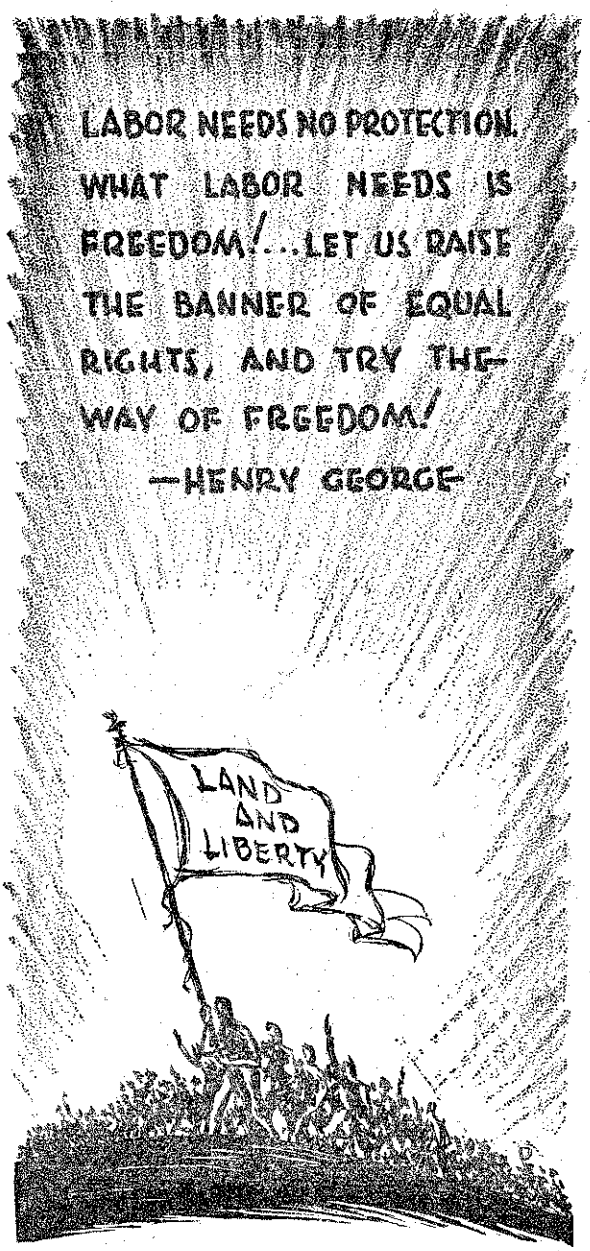

Mutiny On The Manor

By Raymond E. Crist

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Liberty Unto Caesar

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HENRY GEORGE DAY -- LABOR DAY
SEPTEMBER 2

Rendering Liberty Unto Caesar

I have a right to live. Or, have I? The question of conscription, and of the momentous social implications involved, rests upon the basic problem of human existence: are its terms inherent in individual life, or are they prescribed by one's neighbors? The little "I" that screamed to all the world its first proclamation of life, did it thereby announce its subservience to the will of all the other screamers in the nursery, as well as to those who by accident were born a few years before and to those who were to follow a few years later?

The question of conscription cannot be answered in any other terms. All the arguments pro and con are the vaporings of distorted mentalities, unless they proceed from one or the other premise: that the right to life is inherent in life itself, or is subject to the will, whim or power of the State, or its satellite—the Majority.

If we posit the divinity of the State then we cannot quarrel with its acts. Acceptance of that principle leads inevitably to the conscription of life and of property, and any appeal to human rights (even though they are inscribed in documents or hallowed by tradition) is pusillanimous. Once we accept the doctrine that the terms of our existence are dictated by the need or desire of the State, the dignity of individual existence ceases, and with the destruction of that dignity the omnipotence of the State—as far as its power can be exerted—is established. The end is the regime of **status**; the regime of **contract** is over.

1.

To illustrate the difference between **status** and **contract**: During the Congressional debate on the bill to empower the President to mobilize the National Guard, with provision for its possible use beyond the country's borders, it was pointed out that enlistment in the militia specifically precluded foreign service. Accordingly, in the interest of contractual honesty, it was proposed to amend the bill so that members of the National Guard could have twenty days in which to resign before the proposed law went into effect. This suggestion was rejected because it would enable the militiamen to shirk their "duty to the country." The State recognizes no contractual obligations. Its agreements with its subjects—or with other states—are entered into for its convenience, and when its convenience is served by the abrogation of the terms, only the extent of its power to do so determines its action. That is the regime of status.

Constitutions, bills or rights, traditional codes written into the hearts as well as the history books of a nation are meaningless contracts when the divine right of the State is invoked. Forced soldiering, particularly in peace time, is the ultimate expression of this divinity, for it determines the condition under which life itself is possible. It is the means and the end of totalitarianism.

But if life itself implies the right of fixing its terms, it also implies the rights of fixing the conditions under which it may cease. I have a right to fight for my liberty, for my honor, for the sanctity of my home, for my ideals or for my property; in the exercise of that right it is my privilege to relinquish my freedom or jeopardize my existence. No life could be more noble than death met in the struggle against enthrallment. Pacifism—a merely negative behavior—is a futile flight from civilization. But, when I chose to fight I do so as a man; when I am conscripted I am a slave. A volunteer enters into a contract, while a conscript is a mere subject of the status.

It must not be forgotten that conscription is the ultimate of the regime of status. Involuntary poverty is a form of conscription; so is taxation; so are the manifold repressive conditions which an economy based on monopoly imposes on man. To oppose military conscription as a violation of natural rights is only part of the struggle for freedom. Indeed, the impounding of man is merely the final step in the whole process of his degradation, which began with his expropriation from the means of his existence.

2.

A conscript army has been defined as a democratic army, because everybody is subject to the State's call. In the first place, if there are conscripts there must be conscriptors. There must be at least one master in every slave society. If democracy involves the concept of equality, conscription is per se a denial of democracy. Second, conscription of life could not by any stretch of the imagination be termed democratic so long as the means of life—property—remains a private privilege; so long as private property is not confiscated by the State, conscription creates two classes of citizens living under different laws, another denial of democracy. Third, and

most important, the fact that everybody is subject to forced soldiering merely means that the slave class is extended; one's condition of servitude has not been mitigated by that fact. To speak of extending the State's sphere of domination over the individual as a democratic process is to juggle words into contradictory meanings.

One apology for conscription falls back on a moralism: everyone's duty to the social order to protect it from an invader. There is no doubt that the moral obligation to protect a neighbor from harm is a noble impulse. That is why he should be warned against the iniquity of conscription. That is the reason for taking counsel with him about the cause of war, to point out that the social order of which all are part is one in which injustice prevails and that this very injustice is driving us to slaughter, to urge upon him to consider, analyze and reflect. Thus one fulfills his duty to all the members of the social order of which he is a part. Duty does not imply the use of force upon my neighbors, even "for their own good," and conscription etomologically and in fact implies force.

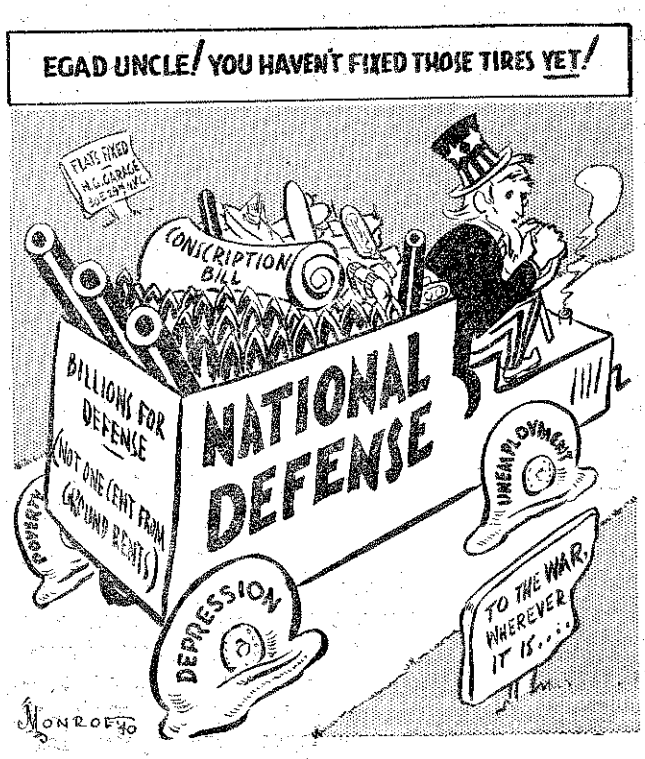
Recruitment, when it is not a refuge from hunger or despair, involves free choice; but conscription is coercion. And, unless we adopt the ultimate doctrine of State-ism, that the dominating group knows best what is good for the dominated masses and assumes the "duty" of forcing its will upon them, which identifies morality with coercion, any attempt to give conscription an ethical value is sheer distortion. It is the dialectic to which defenders of the status quo resort to secure acquiescence in the status quo.

3.

We are told that a conscript army is necessary for modern ways of war, and that we must submit to this curtailment of our liberty in order to preserve our liberty—like taking castor oil to avoid taking castor oil. But why presuppose war as a necessity? If we can master our hysteria for a moment, let us analyze the conditions that lead to war. Are not these, in the order of their importance, persistent internal poverty with resulting unrest, international friction due to our protective tariffs and our self-sufficiency ideology? War is a result, not a cause. Remove the causes of war and the need for forced soldiering will disappear.

And what warrant have we that the present "emergency" which calls for conscription will not be succeeded by like "emergencies"? Napoleon put forced universal soldiering on a legal basis in the name of "liberty, equality, fraternity," and France has had conscription and wars (including those against exploited Africans and Madagascans) ever since. Once this vast war industry is instituted—with millions of soldiers, with millions of tax-ridden workers depending on that army for sustenance, with financial and manufacturing interests vitally concerned with its continuance—there will never be demobilization; every effort, including the making of wars, will be directed toward its continuance as a source of profits and as a pseudo-solution of our permanent problem of unemployment. Once conscription comes to America—that America which is largely populated by the offspring of those who escaped to it from the conscript armies of Europe—it will remain as a permanent fixture until our civilization goes the way of European civilization. Liberty cannot arise from slavery; slaves must be freed before liberty can be reborn.

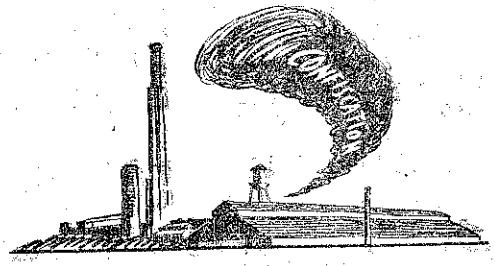
Let us not be deluded by the palatable phrases used by the salesmen of conscription. Let us recognize in this further encroachment of the State on the liberty of the individual the step which leads inevitably to the complete gagging of that lusty "I am" which every one of us proclaimed upon entering the world.



Confiscation Plagues the Munitions Makers

AN ECONOMY half free and half socialist cannot endure. Living in an environment which harbors these contradictory forces is difficult; either the weed must be rooted out of the garden or the garden disappears. Half measures are the allies of socialism in its struggle with freedom: the weed is noxious and thrives on the preoccupation of productive energy. Once socialism permeates a community's economy only annihilation of that economy can satiate the virus.

The transitional period—between freedom and slavery—is the most trying. It is a period of read-



justment. As the fear of poverty is infinitely more destructive of human values than poverty itself, since then the sense of human values has been completely dulled, so the conditioning of a society accustomed to the stimulating process of the market place to the deadening technique of a planned economy is attended with strife, confusion and dismay.

America is in that period now. The weed of privilege which was transplanted from Europe at the inception of our economy has so spread through our social, political and economic life that it seems ready now for the complete sweep. Many are the signs that point to the complete transition of our half-free economy to some form of socialism. We select a seemingly unimportant but highly interpretive news item to illustrate the point: the difficulty encountered by our government in obtaining war materials.

Briefly, this is the situation: Privately owned plants are afraid of being commandeered through the tricky technique of taxation. The owners, ignorant of economic processes but intuitively cognizant of danger signals, are fighting for their plants, their capital. Therefore, before accepting war munitions orders they are asking the government for guarantees that will protect them from confiscation. They want the government to: (1) finance the plant construction which will become valueless if war orders cease; (2) guarantee that taxes will not wipe out all profits on these orders as well as any capital they may themselves invest in equipment and organization; (3) promise legislative control of labor lest increasing wage demands have the same effect as increasing taxes, since war orders cannot be stopped or prices raised.

It is dawning on American capital that production for the government is not true production. The rules of the market place do not obtain when government is the purchaser, since government brings taxes and not production to the exchange counter. Its taxes are derived from the wealth produced by labor and capital. The more it takes the less is left for labor to live on, and to store up capital for future production. Lowering wages and interest retards production, but not the power of taxation; and a government at war clothes itself with moral sanction for taking without stint.

Production, or income, is the first source of taxation. When income becomes insufficient, (labor must live) capital is confiscated. That is the lesson in economics recently re-taught by dictators. That is the lesson with which our munitions makers seem to be struggling. They are seeking a formula whereby they can save their capital from the insidious weed of socialism. There is no such formula.

No enclave, no ascetic retreat can completely isolate itself from the prevailing economy; there is no running away from our environment. When that environment crumbles none in the entire community is immune from the debris of its crashing pillars. That is the obvious to which our capitalists—and our privileged classes—seem so blind. If our capitalists should realize that freedom for them is possible only when freedom is the *modus vivendi*, when

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they cease to particularize their problem and see it as the problem of society, then there might be some hope for weeding socialism out of our lives.

But, as things are shaping up now, it is manifest that munitions plants and other plants, as the "emergency" continues, will be confiscated by the government, either by taxation or by fiat, by inflation or by foreclosure following forced loans, or by a combination of these burglaries. Labor, depending on the use of free capital for its own freedom, will find itself regimented into government service; that is, it will be militarized. Europe has shown us that no mirrors are needed for the metamorphosis. Nor is a violent revolution or *coup d'etat* necessary. It is done with less fuss and more effectively by the democratic technique and in the democratic phrase. If we do not wear blinders we can see it being done now.

Hitler's Plan to Plunder Europe

NEWS FROM EUROPE points to a Nazi plan to reduce the conquered countries, particularly France, to an agricultural economy. The Germans are gloating: "With Holland our vegetable garden, France our vineyard, Denmark our dairy, Poland our slaughter-house, the East our wheat fields, the Southeast our orchards, and Italy our little harvest-helper, what more do we want except real coffee and tea?" Apparently the only center of exchange, with a money and credit system giving its rulers a tribute-collecting power, will be Germany. The development of manufactures and services for which agricultural products are exchanged will be *verboten* to these subjugated peoples.

All economic roads will lead to Berlin. That is, if Hitler's scheme works. It won't. Centralized empires have been tried before; they have always disintegrated.

One should read that remarkably informative little book by Franz Oppenheimer—"The State"*—properly to evaluate what the Nazis are trying to do. Indeed, this analysis of the historical process of state formation, with its economic interpretation, throws as much light on the present as it does on the past. Every student of sociology, history or economics should be familiar with it.

Oppenheimer points out that the State began when roving bands of huntsmen, herdsmen and seamen discovered that economic satisfactions could be had without working. This political means (robbery) first took the form of loot, exacted by murder; but it was soon discovered that the loot could be continuous if the robbed were enslaved rather than destroyed. Always the slaves were peasants. The agricultural worker was lacking in mobility, sluggish of movement, bound to the soil. War could not better his condition; he found his satisfactions in the economic means (production).

The conquering nomads rendered protective service to the enthralled peasantry. They were the soldiery to whom the agricultural workers willingly paid tribute for protection against other marauders. But such service required territorial limitations and the settling of the conquerors with the conquered. Ownership of the land became an essential condition of this economy. Over a long period of development the payment of tribute by the peasants took the form of rent for allotted parcels of land.

Somewhere along the line the conquerors discovered the need of a market place where their surplus rent collections (in kind, for thousands of years) could be exchanged for surpluses accumulated by other conquering tribes. The market place became so necessary to their gratifications that its area and the roads leading to it became sacred, the persons and property of tradesmen inviolate. Control of the market place was a particular prerogative of the master tribe.

Later the development of manufactures, the invention of money and, to a large extent, intermarriage changed the details of the relationship between conquered and conquerors. To the former were granted "rights"—eventually congealed into customs and laws—to assure greater production and larger rent payments. The commonality of language and religious rites, plus the danger of invasion, further tended to break down barriers between master and slave classes and to create a community of interests. But always the political means remained; this was, and is, the insuperable barrier. It was greatly accentuated by the invention of money; the cumbersome rent payments in kind were dispensed with, collections became easier and more certain. Also, money payments did away with the rendering of personal services to the chieftains and enabled the latter to employ more dependable servants, including soldiers. The public official and the mercenary necessary to the concentration of power in a king or small predatory group came into the picture with the use of money-rent.

Although the details of the State were modified by changing modes of production, communication

and exchange, with new cultures and new customs, the essential pattern remained the same: the dominating class remained so by the political means of satisfying desires. Rent was always the instrument.

Apparently the Nazi planners are familiar with this historical process. The decentralization of large empires was due to the development of independent market places, the invention of machinery (including weapons) and the intensification of production through the use of capital—so that purely agricultural pursuits became less important to the economy. Mobile labor changes the character and size of empires.

The Hitler plan seems to be to prevent by force the tendency of an agricultural economy to emerge, as population increases, into an economy of manufactures and services. For a time, while the fervor of the Aryan fiction impels his followers to a fanaticism that must burn out, or as long as the tribute he can collect from the conquered is sufficient to pay the necessary policing cost, he can impose peasantry on millions of Europeans. But the eventual result is predicted in history:

Soldiers will be assimilated, public officials will become integrated with the community, association and sheer cupidity will erode the most stringent supervision. Manufactures and exchanges will spring up wherever the need for them appears.

The development of manufactures portends revolt. Until then the one thing that Hitler may be sure of is—rent. That is, if he can turn back the pages of history and ruralize Europe.

* The State, by Franz Oppenheimer. 302 pp. Clothbound. Price 75c. Henry George School of Social Science, 30 E. 29th St., New York.

South American Dynamite

This article, written by the editor of The Freeman, appeared in the September issue of Scribner's Commentator, *to which publication we are indebted for permission to reprint.*

HATCHING IN THE MINDS of our Washington economists is a diabolical international troublemaker. It is being called the "All-American Economic Cartel," but its real name is Mars and it was spawned in the harlotry of the protective tariff.

The purpose of the plan is to bar Germany from

South American trade. To do this it is proposed to pool all export commodities and put them under the control of a governmental agency. The agency will go into the South American market and will deliberately undersell German products, subsidizing the American producers for the losses sustained by such merchandising. The American taxpayer, as usual, will make up the deficit.

In return for this bounty the South Americans will sell their products only to the United States, or to such customers as our cartel managers may designate. Germany, apparently, will be black-listed.

Besides, the South American countries will be told, because of our gratuity, just how much and what to produce. Thus we shall attempt to extend to foreign countries the controlled economy idea which domestically we have found expensive and unworkable—that is, the AAA. We shall attempt to institute national production quotas in the Western Hemisphere. All for the patently war-like purpose of establishing a Pan-American embargo against Germany.

Now, Germany may not like this arrangement. And as Hitler is a past-master of this controlled economy madness, it must be assumed that he has some tricks up his sleeve. Since his is a totalitarian economy under which he can force his workers to live on a subsistence wage and toil as many hours as endurance will permit, he can always undersell us; for American laborers want more and still have the strike-weapon in their hands. We are not yet slaves of the State.

Germany has an advantage, too, in that she would gladly take the great agricultural surpluses of South America, while we, to "protect" our farm vote, must re-sell these surpluses elsewhere at a loss, or dump them into the ocean.

When Germany does undersell us, and we are stuck with our pooled commodities, will we send our fleet to chase her merchantmen from South American waters? Are we ready to back up with force of arms our economic war measure?

How silly the whole thing is! Trade statistics show that the largest customers for our surpluses have not been the comparatively poor agricultural

states to the south, but the more productive countries of Europe, and Japan. A salesman does not prefer to travel the Dakotas when he can have New England; customers are people. Unless we are itching for a fight why should we bother with South America, which parallels our surpluses, when Europe needs our products?

Suppose Germany is foolish enough to dump her products into South America to keep us out of that market. Well, let her. If she robs her labor to bestow a gift on South Americans, the latter will be the richer thereby. With all that added wealth, they will find ways of spending some of it—in spite of controlled barter agreements—for things Americans make better or more cheaply.

Now, then, if we had wit enough to break down our tariff walls—for the whole world, including Germany — our 133,000,000 productive people would make a wonderful market. Everybody would be anxious to sell to us. And to sell to us they would have to buy from us. If we didn't bar Argentine wheat and beef, think of the automobiles and tractors that country would order here; thousands now idle would be working at high wages in Detroit. If we didn't have a prohibitive tariff on cameras, every American boy would be able to have a fine German camera, and every German boy would have nice shirts made of American cotton.

Ah! But Hitler will not change from a war economy to an exchange economy after the war. He has become used to living by theft. Well, let's try it. Nobody yet offered to do business with him on a free exchange basis. In fact, the economy of Germany which produced this monster is the product not only of an internal system of monopoly similar to ours, but also of the blockade and tariff measures from without which since 1918 were intended to humble and pauperize the Germans.

If Hitler does not want to do business on an equitable basis, then we can fight him. But why assume that free trade with him won't work when it has never been offered? Why start an economic war in which if we win we must lose? Can it be because our own fascist-minded protectionists have their eyes on the lucrative subsidy which the cartel idea promises? Can it be that they, and not Hitler, have designs on our wages?

The Fight on Price Inflation

PRICE IS THE EQUATION between supply and demand. Since demand is an unknowable quantity, subject to the whims of desire which the most far-flung Gestapo can neither fashion nor determine, control of price is possible only through control of supply. Any price-fixing program is therefore subject to the power to regulate production. And the power to regulate production is in direct ratio to the control of the necessary sources of raw material.

The object of monopoly is to boost prices by limiting production. To be effective and lasting the monopoly method must be implemented with ownership or control of natural resources; for if access to these resources is not restrained, every boost in price attracts labor and capital, calling forth new production, which levels prices. That is, competition prevents price-fixing.

Ownership or control of land is the basis of monopoly prices as opposed to competitive prices. The excess of monopoly prices over the level at at which exchanges would be effected where competition unrestricted is monopoly rent. Since this levy, like the ownership of the land, is arbitrary—that is, fixed by power rather than by free exchange—it can be regulated or controlled by arbitrary methods. It all depends on who has more power and is willing to exert it.

Our government, apparently as a result of the present war, has discovered this truth. In attempting to avoid a repetition of the steep price inflation of World War No. I, it seems to have hit upon the fact that effective price control is possible by using its arbitrary power to prevent an arbitrary rise in monopoly rent. The following quotations from *Time* (August 12) indicates how it was done.

"Last fall the posted steel price threatened to rise; the Temporary National Economic Council called steel-men to Washington, argued for low prices, hinted at an anti- steel publicity campaign; the steel prices stayed put." (Note the "posted steel price." That in itself signifies a price based on monopoly rent. The government threat merely kept it put at the level arbitrarily "posted" by the steel-men because of their control of the chief source materials —iron ore and coal in proper combinations.)

"When housewives started to hoard sugar the President untied quotas; in came Cuban sugar, down went prices." (Here the effect of import restrictions on monopoly rent is indicated. Owners of domestic sugar lands are enabled to exact monopoly rent through higher sugar prices because of governmental restriction of outside competition.)

"Copper began to move upwards; the President said the price was being watched, and the move

slackened." (If the government owned the copper mines, as it should, no increase of monopoly rent would accrue to the operators; there would be no inducement to raise prices. Besides, any increase in price due to increased demand would call into use marginal copper-producing mines, thus forcing the price down to the competitive level.)

"Domestic mercury sold as high as $200 a flask. So the Administration stopped issuing export licenses for domestic mercury (a strategic material) and the price fell to $190." (In the July *Freeman* the story was told of how the increasing demand for mercury had brought into production an abandoned mercury mine—at a monopoly rent to its owners.)

"Last week the Defense Advisory Commission . . . met 17 pulp and paper men . . . got an agreement for no further rises." (That is, no further increases in monopoly rent on pulp-producing lands.)

Thus we see how the arbitrary raising of prices through monopoly rent can be somewhat liquidated by the arbitrary use of the greater power of the government. But the source power—the ownership of natural resources—remains in the hands of the monopolists. So long as this power remains, the private collection of monopoly rent through higher than competitive prices cannot be obviated, not even by constant snooping. For there are such things as secret bonuses, reciprocal favors, concessions and other devices to which those in need of raw materials will resort and which, in the long run, amount to increased prices.

The only effective regulator of prices is the free market. We cannot have a free market so long as the privilige of collecting monopoly rent continues to be the law of the land.

There Must Always Be London

DECADENCE, as a measure of moral value, is another word sadly in need of definement. It means deterioration, decay, a falling off in quality. But that is all relative to some accepted standard. From the point of view of a fascist individual liberty is a decadent concept; while in the dictionary of the individualist idolatry of the State is evidence of decaying moral fibre. It all depends on the standard one starts from.

But human behavior in itself suggests a very definite and objective standard by which to measure decadence. Every effort of struggling, climbing, developing civilization has been toward the greater production of goods and services. Left to his own devices, unrestricted by taboos or enslavement, man seeks always new ways of gratifying his insatiable desires; first it is necessities, then it is luxuries which straightway become necessities, and the flame of intellectual curiosity lights up the productive process.

Decadence is the reverse of this process. When man begins to destroy production, to curb desires, to prohibit intellectual curiosity, he has deteriorated. He no longer behaves in the likeness of man. He is akin to the predatory beast, which destroys only.

Decadent, then, by the only standard which can be evolved from man's own behavior throughout his known history, is the Hitlerian German. Interesting indeed will be the inevitable research studies of the economic and political conditions that produced this barbaric atavism; the guilt for this metamorphosis of the industrious, creative and scholarly German into the most destructive instrument of modern civilization undoubtedly will be laid at the door of some of his victims. But this does not mitigate his complete depravity.

The attack on London is perhaps the final proof that he has lost every vestige of *menschlichkeit*. The wanton destruction of human lives is only one phase of complete decadence. But here is a city which through centuries of travail has become the heart of the world. It is the center of exchanges which for nearly two hundred years has facilitated the myriad manifestations of man's ingenuity for making goods and rendering services, not only in England, not only in the British Empire, but in every corner of the globe, in Germany itself. Its banking system, its insurance system, its maritime system, its facilities for disseminating essential information on market conditions, to mention but a few of the services developed within London, has made possible millions of productive specializations.

The world cannot get along without a London. And so vast and complicated a commercial keyboard is built only by a long and tedious process of adjustment and readjustment, by trial and error. A planner may devise an army of destruction, but a London is the product of an expanding civilization. So that if the hideous German plan were successful, which is unthinkable, a new London would have to be evolved before world production would regain its former peak. How long that would take would depend upon how soon man were permitted to resume his natural bent for production. London replaced Rome, but only after a dozen centuries.

Mutiny on the Manor

By RAYMOND E. CRIST

For this is the law of the feudal days,
The law for one and all,
That whoso lives on the baron's land
May feed as he will at the baron's hand,
But whoso feeds at the baron's hand,
Must answer the baron's call.
Thomas Francis Woodlock—"The Law."

The men who settled along the Hudson River after the first land grants were made found awaiting them there the institution of the manorial system, precisely the institution many of them had come from Europe to escape.

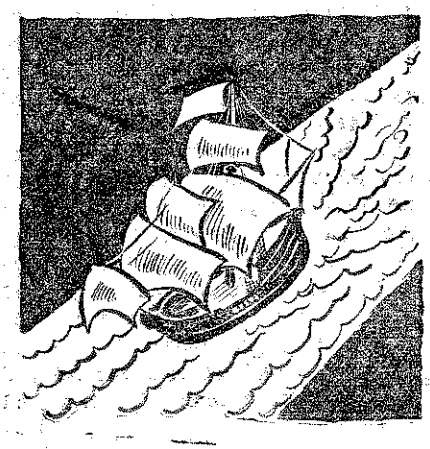
The adjustment to the new physical environment kept the first settlers from being too keenly aware of the harsh economic conditions in the new land, but their descendants found galling in the extreme the yoke of New World feudalism, which became more firmly entrenched each year. The struggle for freedom was a long one, lasting well over two centuries; each generation in turn stoically took up the task of the destruction of feudalism with all its injustices. The story of the abolition of this system along the Hudson is a real thriller for those who believe that there is a "middle way," that the democratic way of life is a reality to be cherished, that evolution is preferable to revolution, that ballots are a consummation more devoutly to be wished than bullets.

In 1609, Henry Hudson, in the employ of the Dutch East India Company, in the attempt to find the Northwest Passage to China, sailed up what is now the Hudson River. During the next few years an occasional Dutch ship visited the river and returned to Holland loaded with skins of beaver, mink, otter, and wildcat. The New Netherland Company, organized in 1614, obtained a monopoly on the river trade and sent out fur expeditions so successful that two years later its sponsors asked for continuance of its charter. But the Dutch government decided to leave the river open to competition for a few years while it planned a powerful monopolistic stock company to handle the American trade—the West India Company.

The author of this article is Professor of Geology and Geography in the University of Illinois. Another study by Dr. Crist on the land question entitled "The Land Is the Chief" appeared in the February, 1940 issue of The Freeman, having been reprinted, by permission, from the Scientific Monthly. The present article was written expressly for The Freeman.

That organization was founded in 1621, and in April of 1624 thirty families of Walloons embarked on the ship "New Netherland," bound for the mouth of the Hudson. They were mostly Protestant refugees, farmers from the South Netherlands where they had felt the pressure of Roman Catholic Spain. They were enjoined to obey orders, be loyal Reformed Calvinists, and convert the heathen. They must live where they were told for at least six years, lending a hand at all communal enterprises, selling all materials for export to the Company, recognizing the company's rights to all mining properties and pearl fisheries. They must not sell for profit the products of their handicraft (so as not to compete with the industries of Holland). They must plant only what they were ordered to plant.

But agriculture did not thrive along the Hudson under the West India Company although that company was committed to colonize its "sphere of influence." The fur trade was so profitable that it absorbed the interest of the Company. It was easy to encourage petty traders to come out from Holland, for they reaped a great deal of profit without actually making the New World their home; but it was far less easy to get worthy Dutch peasants to leave their prosperous homeland to settle on the wild shores of the Hudson.



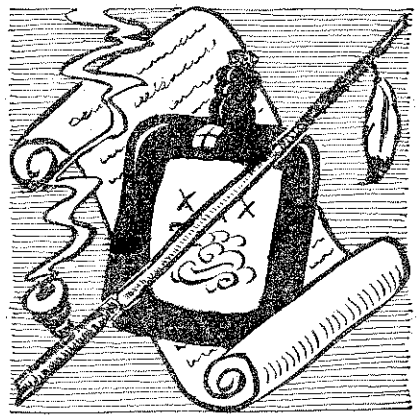
However, many stockholders of the Company wanted to participate as individuals in the virgin land; accordingly, in 1629 the directors of the Company, by a "Charter of Freedom and Exemptions" established the patroon system. This charter permitted grants of great river estates to members of the Company who within four years would settle at least fifty persons on the lands granted them. The patroonships might extend sixteen miles along one shore of the river or eight miles along both shores, and "as far inland as the situation of the occupants will permit." The patroon had to secure the title to his lands from the Indians, but once he had obtained it he might hold the land as a "perpetual fief of inheritance." This last factor was of utmost importance because it meant the creation of a feudal sort of tenant system along the Hudson River which was destined to be at the root of many of the unhappy developments along the valley for the next two hundred years.

One of the first patroons, Kiliaen Van Rensselaer, never set foot on his great Hudson River estate which he named Rensselaerswyck, but he did figure out various ways in which to make a paying business out of his absentee landlordship. He even tried to enforce an edict prohibiting any trader not under contract to him from sailing into the waters of his patroonship! As for his tenants, he cheated and bulldozed them at every turn. He had his own store where supplies were sold to his tenants at enormous profit to himself.

But these great estates were held as a "perpetual fief of inheritance," and remained in the hands of one family for centuries, just as the haciendas of Mexico. A farmer might be granted a perpetual leasehold by which he could live in a house and till fields for his lifetime, provided that he agreed to give each year a share of his crops and his increase of livestock to the owner of the land. As early as 1650 the secretary of Pieter Stuyvesant wrote to the Lords of the Dutch States-General that in Rensselaerswyck "no one down to the present time can possess a foot of land of his own but is obliged to take upon rent all the land which he cultivates."

In the late 1670's Robert Livingston married the widow of Nicolass Van Rensselaer, and started on the road to property accumulation on a large scale. By his marriage—his wife had been born Alida Schuyler—he was connected with two of the most powerful up-river families, and he at once set out to gain control of other lands along the river. Nor was he deterred by scruples which might have been acquired as a result of his religious upbringing. He became the purveyor of supplies to the military of the province, and in this capacity was able to "pinch an estate out of the poor soldiers' bellies." The huge estate comprised more than 160,000 acres of land, and the Van Rensselaers lived very comfortably off the rents of the permanent leases. But the large grants to single families meant slow development of the country. Settlers preferred to live where they could own their own land. Livingston had on his great grant but four or five cottages in which lived poverty-stricken vassals too poor ever to become independent farmers. And with the years it became even more impossible for free farmers to gain a foothold. A year or so of bad crops and the farmer's leaseholds were cancelled and they found themselves ejected for debt. Dispossessed tenants then took over their acres—people with even less chance of voicing grievances if or when there were any.

About a century after the consolidation of the vast domains along the lower Hudson, such as those of Frederick Phillipse, Stephen Van Cortlandt or Captain John Evans, conditions were ripe for a revolt of the feudal serfs against harsh conditions. One of the most spectacular revolts was led by William Prendergast, who had taken his land in perpetual lease from Frederick Phillipse. He could not even will his land to his wife or heirs without the consent of the manor lord, and even if the consent was granted, his heirs must pay the lord a third of the value of the farm in order to keep it. Furthermore, whoever held the lease must each year pay the manor lord, for the privilege, a portion of his crop, poultry and labor. And the manor lord felt secure in his aristocratic belief in the superiority of the few. He was the judge in his own manorial court, where he



sentenced recalcitrant tenants to corporal punishment and imprisonment. He himself paid the British Crown for his vast domaine an annual quitrent of four pounds, twelve shillings—exactly the same amount which William Prendergast was obliged to pay each year for his few acres. . . The injustice of it rankled and he decided to right it.

Hundreds of farmers rallied to the cry of "Pay your honest debts—but not a shilling for a rent." They raided Justice Peters, dragged him through the mud, gave him a flogging and a ducking as well. The manor lords in vain denounced the "Levelers," who marched into the manors of the Hudson Highlands and declared manor rents abolished, and who put dispossessed farmers back on their land. And the army of vengeance under William Prendergast grew as it moved southward on New York. The city was in a panic, on the verge of hysteria. General Gage sent three hundred troops to restore law and order; but such precautions proved unnecessary because, persuaded by his Quaker wife that by so doing needless bloodshed would be avoided, Prendergast gave himself up. She stood by him "without indecorum," at his trial, heard the judge pronounce the sentence of high treason against his majesty, and immediately galloped off to interview the Governor, Sir Henry Moore. Within six months William Prendergast was back on his farm with his wife and children, but the farmers had not won their battle. There were many years of struggle before them. The process of increasing their holdings was carried forward by the manor lords, which meant futher impoverishment of the tenantry. By the time of the war of the Revolution nearly five-sixths of the inhabitants of Westchester County were poor manor tenants, practically serfs, bound to the soil.

The second installment of Dr. Crist's article will appear in the October issue.

Quoting Professor Ely

"Value of land is always a reflection of its future productivity as measured by buyers and sellers. Vacant urban or farm land yields no economic rent, yet sells at a figure which reflects its expected income yielding qualities. Farm land near cities sells on the basis of anticipated urban uses rather than on capitalized agricultural rents."

* * *

"The aftermath of a land boom is a misfortune not only for the individuals who lost their money but also for the public which squandered money on roads, schools, and public services that have to be paid for by solvent taxpayers after the bankrupt landowners have let the land revert to the public through tax delinquency."

—From "Land Economics"
By Professor Richard T. Ely

Fumes of the Yellow Monopoly

By HELEN BERNSTEIN

The rate of profit of a monopoly far outstrips the average rate of profit; the cost of production of a monopolized product seldom bears a relation to the price, whereas in the competitive field the two are seldom far apart; a monopoly price usually sits tight while other prices are falling.

One of the neatest, most profitable and least conspicuous monopolies under which workers throughout the world suffer is the sulphur monopoly. It is a small but perfect specimen. Dr. Montgomery of the University of Texas tells its exciting story in a little book called "The Brimstone Game."*

* * *

Sulphur is most important as a raw material in the manufacture of sulphuric acid. This magical reagent is indispensable in the preparation of fertilizers, illuminating gas, soap, storage batteries, paper, ink, lead pencils, and celluloid. It is used in the manufacture of steel, dynamite, dyestuffs, medicinals, in the ceramic arts, the packing industry, in the purification of gasoline, kerosene and other petroleum products. The rubber and rayon industries depend upon it. It is used in electroplating and electro-deposition without which tin cans, galvanized iron, and chromium surfacing could not be. But because the basic raw material, sulphur, is monopolized, every commodity dependent upon its remarkable properties will bear some price taint of the original sin of monopoly rent.

From the Middle Ages down to the end of the nineteenth century, Sicily was the main source of sulphur in the world. In the 1890's the mining methods were the same as those described by the prophet Isaiah three thousand years ago. There were over 700 small independent mines in Sicily out of which 25,000 workmen earned a degraded living. Competition was severe and the price was unstable. In the depression of the 1890's, the price fell from $23 a ton in 1891 to $12 a ton in 1895.

The conditions resulting from this economic disaster brought the threat of revolution to Sicily and considerable alarm to British interests which controlled the sulphur-using industries in Europe. These interests succeeded in 1896 in doing for the sulphur producers what they had been unable to do for themselves, namely, organize them. The new Anglo-Sicilian Company contracted to handle the sales of sulphur for ten years and guaranteed a minimum price of $15 per ton at the mine, provided production were stringently limited. As sulphur was then selling for $10, the company managed to secure options on 85% of the output. This was the first sulphur monopoly.

Within a year, at the very bottom of the depression prices rose by more than 50% and were maintained at an average of $18 per ton for almost 10 years.

This state of affairs might have gone on indefinitely had it not been for the work of an obscure Standard Oil chemist, Herman Frasch. In 1865 oil prospects discovered huge deposits of almost pure sulphur in Louisiana. Three attempts to mine the yellow substance failed because the deposit was overlaid by a blanket of hard limestone and gypsum, which was in turn covered by quicksand and sea mud. Engineers had declared the mining hopeless—when Frasch came out with a technique peculiarly adapted to these very conditions. He secured a patent, and after the discovery of a vast oil-fuel field near the sulphur beds, organized the Union Sulphur Company and began operations in 1901.

Doubly protected by a patent and the possession of a natural resource, the new company proceeded to rid itself of the Anglo-Sicilian Company. It slashed prices from $22 per ton to $16; by 1906 it had captured the American and North European markets. Over one hundred Sicilian mines closed down. The Anglo-Sicilian Company did not renew its contracts. In despair, the Italian government sent a royal commission to Louisiana to investigate this destroying rival. To their even greater despair, they discovered that Union was producing at a cost of $3.48 a ton and could sell anywhere in America at $7.72 a ton—less than one-half the cost of production of the best Sicilian mines.

The Italians attempted to reach an agreement but refused to meet all of Union's terms. Union slashed the price to $14. Whereupon the Italians played their last card. A compulsory sales pool was organized and backed by a ten million lire government subsidy. It was relieved of taxes and its freight rates were duced. The pool, the Consorizio Obligatorio Per l'Industria Solfifera Siciliana, rashly cut to $12 per ton, disastrously low despite the subsidies.

In 1907 Frasch went to Rome and reached an agreement with a badly frightened Consorzio. Union was allotted the North American market and one-third of the north European. Italy was reserved for the Italians. A minimum price was set at $18.50, to be reached by 1908, to be boosted to $22.50 by June 1, 1909.

On a public occasion Frasch commented on this deal in these words: "Fortunately the (Union) Company is owned by a few broad-minded and big-hearted men who could not be induced to bring starvation and ruin upon 25,000 people dependent upon the mining of sulphur in Sicily." This is small consolation to millions of farmers who pay more than 10% of their gross income for fertilizer, (to say nothing of the rest of the consumers of sulphur products), putting millions of dollars of monopoly rent into the pockets of—not the Sicilian miners—but certain interested parties in the United States.

Through its patents Union had complete mastery of the American industry from 1903 to 1913. The value of this monopoly is hidden in

* Published by the Vanguard Press, 1940.—$1.25.

obscure and indefinite data. Some obtainable figures are indicative. The Italian Commission reported costs to be $3.48, but did not list the items included. **Mining Industry** calculated costs at $3.75 a ton, which included depreciation of the plant and equipment but not of the deposit itself. The company's own reports in **Moody's Manual** show that costs in 1907-13 fluctuated between $3.75-$4.50, which included all costs except interest on the investment. Throughout this period the price stayed at $18 f. o. b. the mine, which would indicate a profit of $13.50-14.25 per ton. In 1913—Dr. Montgomery furnishes this data—491,000 tons were produced at a profit of $13.85 per ton; indicating that the above figures were not far off.

Dr. Thurmond L. Morrison in his "Economics of the Sulphur Industry" (University of Texas, 1938) expresses the belief that during this period " . . . annual profits, expressed as a percentage of total investment, made by Union Sulphur Company fluctuated between 150% and 400%"! Another indication of the huge profits made by Union is the fact that, though it began operations with a capital stock of only $200,000, by 1913 it had accumulated in leases, townsites, plant and equipment, properties worth about $1,900,,000, apparently the product of reinvested profits.

However, Union was unable to maintain its hegemony in the sulphur world. In 1906 an attempt had been made to work a large sulphur dome in Texas by the Frasch process. Union sued for patent infringement and after years of litigation the Federal Circuit Court of Philadelphia held that the techniques originally covered by the patent were unpatentable. The Freeport Sulphur Company was organized in 1913; but during the World War the tremendous demand for explosives for which sulphur is essential prevented any outbreak of competition, and the price was maintained at $18 per ton until 1917. After our entry into the war the price of sulphur was fixed at $22.50, informally at first by the Chemical Committee of the Council of National Defense and then by the War Industries Board. The Federal Trade Commission at this time reported that the cost of production to Freeport was $6.15 per ton and to Union $5.75. Conscripts may be sacrificed; but not profits.

The supply of sulphur, great as it was, could not fully meet the requirements of warfare and so a new giant entered into the sulphur field, the Texas Gulf Sulphur Company. Theodore J. Kreps, an outstanding authority on the subpect, asserts in his "Economics of the Sulphuric Acid Industry" that ". . . the War Industries Board marshalled the resources of the United States government behind the effort to develop a reliable and sufficient supply of domestic sulphur," and indeed it is generally believed that some form of government subsidy acted as midwife at the birth of Texas Gulf, although the company itself has always denied the charge. At any rate, it constructed the largest and most efficient Frasch-process plant the industry had ever known.

The War Industries Board released its price control in 1919, war orders were no more, the industry was left with tremendously over - expanded plants and a huge accumulation of stock over-ground. A period of competition among giants set in and for several years after the war the average price varied from $15.11 to $19.76 a ton. In 1922 peace was declared. The Sulphur Export Company (Sulexo) was formed under the Webb-Pomerene Act of 1918, which permitted American corporations in any line of industry to combine their export businesses. Exports were allocated among Union, Texas and Freeport. However, the formation of this combination served also in some mysterious way to prevent price competition not only in foreign markets but in domestic markets. The following year, Sulexo and Consorzio formed a new alliance, which constituted a virtual world monopoly. Prices rose to a minimum of $18 a ton and there they have remained through wars, revolutions and depressions.

How profitable has Texas Gulf Sulphur been since its formation? The figures are almost beyond belief. Professor Montgomery, using the company's reports in **Moody's Manual**, shows that about four million had been invested in plant and equipment during the first ten years of active operations. Originally 635,-000 shares of common stock were issued, having a total par value of $6,350,000. During the past eighteen years Texas has paid a total of $124,117,500 in cash dividends on this stock, which amounts to 95.46% per year on the basis of the original value of the stock! In addition to this concrete evidence, the company has spent $15,613,000 in leases, in exploration work, in buildings and equipment—all expenditures coming out of profit. The company has eighteen other deposits which are not being worked at the present time. It has reserves of recoverable sulphur at Boling Dome alone valued at $45,000,000. It has had enough left over to pay vast sums to landowners, leaseholders and other tribute-collecters. On January 1, 1939 the company had 3,289,728 tons of sulphur in its stock piles above ground; with a market value of more than $52,000,000. E. D. Kennedy in "Dividends to Pay" points out that the Texas Gulf Company now makes $1 profit on every $2 of sales. In the period between 1926 and 1935, its sales totalled $206,000,000 out of which it made a net profit of $103,-000,000. Monopoly privilege enabled it to net during the worst depression America has ever experienced a mere 50% on its gross!

The evil effects of this monopoly are almost self-evident. Labor and capital are shut off from the opportunity to produce sulphur in that plentiful supply that a healthy market would demand. This in turn is felt in all the industries which require sulphur in their manufacturing processes and which must consequently raise their prices and cut down demand. Labor and capital are pressed into service in sadly over-exploited fields, like agriculture, where returns are at best precarious and poor, while a few pockets the fruits of privilege on the sunnier side of the vicious circle.

For Predation There Must Be Production

By HARRY GUNNISON BROWN

We appear to be living in an era of tremendous upheaval the ultimate consequences of which no one can foresee. Economic systems are in flux. Political systems are changing rapidly. The centers of military power and of prestige are shifting as they have not before in generations. Can it possibly be that the relative fairness of different economic systems has some causal significance in such changes and so in the rise and fall of nations and of empires?

The world of man, like the world of life generally, is a world of struggle and of rivalry. There is rivalry and struggle between individuals and there is rivalry and struggle between groups. There is ceaseless conflict of antagonistic interests, each seeking the maximum of gain and the minimum of loss. Nations take by force and fraud from other nations. Individuals, by cheating and by force, take from other individuals. Particular economic groups within each country undertake to control government and, as readers of **The Freeman** well know, bend it to their uses in abstracting wealth from other groups and from the public generally.

Yet in the midst of all this taking or **predation**, there continues to be **production**, else there would be little or nothing for the predators to take. Always a large proportion of the people **produce** wealth. Thus we have commonly in human society the two inconsistent activities of **production** and **predation**,—although these may appear to be in one sense consistent with each other, viz., as divergent aspects of the struggle for existence.

In Lord Dunsany's play, "King Argimenes and the Unknown Warrior," a new prophet is called to the throne hall by King Darniak to entertain his Queens. But these are the prophet's ominous words:

"There was once a King that had slaves to hate him and to toil for him and he had soldiers to guard him and to die for him. And the number of the slaves that he had to hate him and to toil for him was greater than the number of the soldiers that he had to guard and to die for him. And the days of that King were few. And the number of thy slaves, O King, that thou hast to hate thee is greater than the number of thy soldiers. Thine armies camped upon thy mountainous borders descry no enemy in the plains afar. And within thy gates lurks he for whom thy sentinels seek upon lonely guarded frontiers. There is a fear upon me and a boding. Even yet there is time, even yet; but **little** time. And my mind is dark with trouble for thy kingdom."

Is it not probably true, in general, except as those who are exploited are too utterly uncomprehending, that revolution or revolt is likely in proportion as the exploited are numerous, as well as in proportion to the degree of their resentment.

It is obvious, of course, that the degree of this resentment may be lessened if the exploited majority can be persuaded, however fallaciously, that they are not being exploited and that, instead, the exploiting policies are calculated to increase their prosperity and happiness. Nevertheless, the waste and poverty and inequality which exploitation brings about, even though cause and effect relations are little understood by the victims, are hardly conducive to satisfaction and contentment.

A master class of conquerors or aristocrats may live among those it exploits and may by force, or by teaching subservience and a "morality" of privilege and subjection, maintain itself for generations in a parasitic position. But any great discontent among the exploited must surely weaken this master class in conflict with alien enemies. If the exploited group has to be kept down by force or if, even, it does not enthusiastically support the régime through which it is exploited, the chance of overthrow of the dominating aristocratic class is enhanced.

If the inhabitants of a country are to have the best chance of successfully resisting foreign attack, they need, it would seem, a unity of spirit which certainly is not furthered by exploitation. In short, that country is strong, in conflict with those who would conquer it, whose people feel that they have an economic system which gives a fair chance to all, and which therefore, is well worth fighting for. But what ruling caste is willing to give up its privileges even to make its people strong in war?

Or are we rather to conclude that the way for a nation to be strong is to maintain a highly privileged caste which lives parastically upon the masses and which will fight eagerly to maintain its privileges against foreign foes who may seek to displace it? And are we to conclude, also, that such a privileged caste can, by its prestige and its propaganda, develop almost as great enthusiasm among the exploited masses for the waging of foreign wars as if these exploited masses were fighting for themselves instead of to keep in power over them and to further aggrandize a particular set of exploiters!

Survival in the struggle for existence does not mean that the survivor is perfectly adapted to his environment. On the average and in the long run it may indeed mean that he is **least ill adapted.** If we are to be accurate we must say "on the average" because particular and peculiar or "accidental" circumstances may sometimes eliminate an individual relatively well adapted to the conditions which have to be met ordinarily.

Similarly, survival of a group in

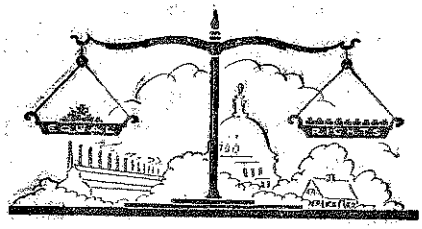
the competition of war or otherwise does not mean that the group is the best or strongest imaginable. It may mean, in the long run and on an average, that the surviving group is **least ill adapted** to the conditions to be met.

We must frankly admit, of course, that even a perfectly fair economic system can not at all guarantee the survival of a group which fails to meet every other test of adaptation. Nevertheless, an economic system in which the majority are discontented and greatly exploited hosts of a parasitic few or in which burglary, pocket picking and highway robbery are so extensively practiced that security is reduced to a minimum and general discontent and disorganization prevail,—such an economic system must tend not towards the survival of the society but towards its elimination.

In the struggles of the present century, have the so-called democratic countries had an economic system so fair, so favorable to the common run of folks, so devoid of all elements of parasitism, as to call out the maximum of enthusiasm on the part of these common folks in its defense? Can we say, for example, that Great Britain, with the descendants of feudal lords and of royal favorites owning a large part of the island, including large sections of some of the cities, has such an economic system? Do the common people of Britain, who must pay many millions of British pounds every year to those who own the island, for **permission** to work on it and to live on it, have real reason to enthuse over their economic system and to sacrifice and suffer and die to preserve it as against the rival and alien systems of other states? Would the workers of England, Scotland and Wales necessarily be so much worse off, economically, under German or Italian or Russian domination as the conservative defenders of the prevailing parasitism would have them believe?

What if the Germans did really intend to liberate the British masses from their p r e s e n t exploitation! What if in Germany itself the annual value of sites and natural resources were **definitely regarded** as belonging to all the people! What if German leaders were to pledge themselves to the common folk of Britain to introduce the same system there, so that no one in Britain any longer should be able to gain a living by charging his fellow Britons for permission to work on and to live on their island or draw mineral wealth from its sub-surface deposits! There seems, indeed, no present possibility of any such appeal being made at all and, certainly, no prospect of its being made convincingly. But the time may come when some potentially conquering nation will be able to make this kind of appeal. What then?

How largely is the willingness to fight, in modern war, the result, on both sides, of a sporting instinct — the desire to have "our team" win? How largely is it the result of effective propaganda which



makes the enemy look relatively much worse than he is? And how largely is it the consequence of a truly intelligent comprehension of the comparative advantages of different economic systems notwithstanding each and all of them may fall far short of the requirements of efficiency and fairness?

Some rules of f a i r n e s s, some standards conducing to security, some recognition of the claims of producers to at least a modicum of what they produce appears to be necessary if there is to be any community life at all, if there is to be any specialization, any exchange, indeed any productive activity. Conceivably these rules and standards will be only such as the strength of each producer can enforce against each would-be predator. Or possibly those who wish to produce will always, sooner or later, realize that they have a common interest and will so inevitably learn to combine in some fashion or other so as to limit the predation of men who would live at their expense. Or the recognition of the rights of others and the requisite sympathy to implement this recognition, which develops in the family, may extend further so as to affect relations among neighbors, among fellow citizens of a national, even, among citizens of different nations. Possibly natural selection, in weeding out groups whose members cannot seem to co-operate effectively, has helped to evolve a type of mentality capable of a larger degree of social sympathy and not merely of more intelligent self interest. And no doubt the appeals and preachments of those who first and least unclearly realized the need of rules and standards, have had some effect in bringing other men to their support and in introducing sanctions, such as fines, jail and capital punishment, which may add still further to the observance of the rules and standards accepted. Indeed it may often happen that even an exploiting group—e. g., slave owners or landowners—will join wholeheartedly in popularizing and enforcing standards and principles which are directed against every important kind of exploitation except that—or those—through which their own class profits. For if the stealing of others from producers is effectively prevented, their own exploitive gains will also be more secure.

The Freeman

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They Were Even As We Are

A Workingman's Program in 1844

By GEORGE HENRY EVANS

This editorial, by one of the most prominent labor leaders of the time, appeared in the "Working Man's Advocate" on November 30, 1844. It shows a remarkable insight into labor's basic economic problem—a problem which remains unsolved a century later. To readers familiar with the editorial policies of modern labor papers, which consist primarily in demanding special privilege for organized labor, this appeal for human rights based on economic principles will be refreshing.

As Congress will assemble in a few days, the public mind is naturally directed to the capital; and the Washington letter-writers, most of them miserable hacks who are scribbling merely to pay their board and grog bills while they are intriguing for office, are making all sorts of predictions about what will be done by Congress, and pretending to develop important plans and plots of different clans and cliques, having in view the next Presidency!

A great deal of this disgusting trash, having not even a show of truth or even probability for its foundation, is no doubt written in obedience to orders from the proprietors of newspapers whose staple is excitement, with a perfect indifference whether the excitement be for good or evil, so that it brings pennies into the newspaper till. Other portions of this letter writing trash are concocted with the sole view of advancing the interests of that party, or that particular clique of a party, to which the paper containing it is attached, and upon whose success, perhaps, its existence depends. Among these writers there are no doubt some who desire to contribute to the good of the country; but few of them appear to have that end particularly in view.

This paper was established for a higher object than most of these writers aim at, the object of securing the rights, and consequently the good, of the whole . . That we have taken this opposite course is owing to our knowledge of a few simple truths, which they appear to be ignorant of, namely, that individual happiness cannot co-exist with surrounding misery; and that the most effectual way in which we can contribute to the good of the whole is to endeavor to secure the equal rights of each. . . .

What will Congress do towards bringing about such a desirable state of things? Will they do anything? Or will they have the face again to inflict their stale nostrums on the country? What will the President recommend? These are the questions which now occupy the minds of many well-meaning men.

Without venturing to predict what will be done, I will endeavor to show, very briefly, some things that ought to be done.

1. The Public Lands ought to be made free, and all further traffic in them prohibited. This would provide for all who might be thrown out of employment by the other measures necessary to be carried.

2. The expenses of government ought to be reduced to ten millions a year, by abolishing or greatly reducing the Navy (keeping up, however, the fortifications); by entirely abolishing the Army; by reducing about three-fourths the $9,000 outfits and $9,000 salaries to foreign ministers; by abolishing the West-Point Nursery; by reducing the salaries of members of Congress and all other officers to what the same talents would acquire in ordinary business, and by a general economical regulation of all the departments that would tend, in connection with the first-named measure, to put an end to office-seeking.

3. A mode of keeping the public money in the hands of Public Officers should be devised, and all use of it for other than government purposes should be prohibited. If the public money is loaned it is insecure, and, what is worse, it gives the borrower a privilege at the expense of the public.

4. As the reduction of the Army and Navy should be gradual, as temporary measures, the cruel and anti-republican practice of flogging should be abolished; the pay of privates and officers should be more equalized, the pay of officers as well as privates should be stopped when off duty; and officers should in all cases be promoted from the ranks, or elected by the men.

5. The Tariff should be abolished, or a gradual abolition of it should be commenced, but not unless the land provision is made for the workmen engaged in trades fostered by it, and who might be thrown out of employment in consequence. If the land were free, a tariff between one nation and another would be just as absurd as a tariff between one family and another; but free land must precede free trade.

6. If the Tariff should be reduced below the expenses of government, the deficiency should be made up (as whole amount should be when the Tariff is entirely abolished) by a Direct Tax; every man paying in proportion to what he is worth clear of the world. . . . Government is for the protection of property, and why should not property pay the tax? . . .

7. Last, though not least among the measures that I think ought to be carried by the coming Congress, is the adoption of such means as may be in the power of Congress to abolish slavery. I am fully aware that it is just as inconsistent for the northern land monopolist to ask the southern slaveholder to give up his land; for Land Monopoly is the root of all Slavery; but the spirit of the age requires that something should be done towards the suppression both of land selling and body-selling. If Abolitionists have been imprudent; if they have shut their eyes

to the white slavery around them; if they have actually upheld white slavery by monopolizing and trafficking in the soil, that is no reason why their sins should be visited upon the blacks. Congress has power to arrest the Land Traffic, which was the parent of slavery; and if it has any power to prevent the traffic in human flesh, between States or otherwise, it ought no longer to lie dormant.

If Congress will accomplish the work I have here cut out for them, instead of spending their time and the people's money in wrangling, intriguing, splitting hairs, and President-making, they will do more good than all the Congresses since the days of the revolution; and if John Tyler will recommend these measures, he will deserve to rank in history with the Fathers of the Republic.

Bureaucrats on the Dole

The Socialists of all stripes are discussing the possibility of a revolution in Russia. If the situation of the land of the Soviets were not so tragic, one could find considerable to amuse him in their discussion.

Trotsky, for example, called for the destruction of the Soviet bureaucracy, with no other purpose, of course, than to bring about the reemployment of his followers. In a section of the article by E. Yurievsky, the noted Russian economist, which The Freeman reprinted last month from The New Leader—a section which space requirements obliged this journal to omit—the difficulty of this task is pointed out.

M. Yurievsky points out in consternation:

"This would mean starvation for many millions who have no other means of earning a living than through government employment.

"Here are the figures showing the composition of the bureaucracy:

"1,169,000 older administrators, directors of plants and factories, of collective enterprises, stores and other undertakings; 2,439,000 bookkeepers, economists, statisticians; 250,000 engineers; 810,000 middle technical personnel; 80,000 professors and teachers in higher schools; 159,000 artists, actors and miscellaneous employees in their fields; 132,000 physicians; 382,000 first-aid medical workers, midwives and sisters-of-mercy; 257,000 librarians, club leaders and journalists; 46,000 judges, prosecutors and public defenders (lawyers assignd by the government to defend accused in the courts).

"If we add those employed in Soviet commercial and mercantile institutions, we get a grand total of 9,200,000 persons comprising the Soviet bureaucracy.

"The Russian Communist Party has a membership of 1,600,000. The number of party members has materially declined in recent years, but not all Communists are government officials. Even if we were to assume that all party members are in government employ, there would still be left more than 7,500,000 persons depending upon the government for their existence. Large numbers of these government officials detest Stalin with all the fervor of their souls. Moreover, the cultural cadres of the country are among these government officials. To destroy them by driving them from their sources of livelihood would be to deal a grave blow to the country."

So long as they have no other means of earning a living, to drive this "new leisure class," as Francis Neilson once aptly dubbed it, from the State payroll is to drive millions from their doles to starvation. But this does not mean, as M. Yurievsky and other Socialists think it does, that these gentlemen of leisure must forever be assured their doles. Let the Russians open the fields, the mines, indeed all economic opportunities to these people and then drive them out. The situation of the peasants cannot be much improved until the burden of providing these doles is taken from their backs.

The man of religion who said—as it is recorded in the Bible (in these or some other words)—if a man won't work, neither shall he eat, that man was a moral man, not an immoral brute. He meant that the rule should hold so long as a man was free to feed himself by working. If the Socialists of all stripes would turn to discussion of the possibility of offering justice to the Soviet bureaucracy, the dole recipients of the Soviet State would not need their philanthropy.

Nature vs. Government

Members of the Maryland Cooperative Institute recently heard Murray D. Lincoln, secretary of the Ohio Farm Bureau, tell them that the present agricultural program "is not working for anybody." He bemoaned the present tendency of farmers to ask "the government to do things for them."

Mr. Lincoln might have pointed out to his farmer audience that there is a rather important difference between nature, the farmer's real collaborator, and government. Plant a seed in the earth and friend nature puts her marvellous reproductive forces to work for you. But government has no such abilities to match nature's; "seeds" (requests for AAA "benefits") call forth no reproductive forces. A government can only share what it has the power of confiscating.

The trick, apparently, is to rely less on government and more on the fructuousness of nature. Our system of land monopoly makes this impossible, or well-nigh so; witness the Joads (in "Grapes of Wrath") who travelled past hundreds of lush acres just to wind up in a government aid station.

Planners and Poverty

"The salvation of the poor can only come by way of freedom—by opening up the natural opportunities for production contained in Mother Earth. But planners of other people's lives are more interested in organising poverty than in abolishing it."

—From "The Porcupine"

The Book Trail

SIDNEY J. ABELSON

What college teachers believe and teach is a matter of urgent importance, in my opinion. A new economics text-book should be taken seriously, for text-books provide a starting point for ideas that later influence social and political action. For this reason The Book Trail this month is being turned over to a comprehensive and important review by Professor Harry Gunnison Brown of a new book which, presumably, will be used in a number of colleges.—S. J. A.

"Modern Economics—Its Principles and Practices" (Thomas Nelson and Sons—$2.75) was prepared by Justin H. Moore, William H. Steiner, Herbert Arkin and Raymond R. Colton. The second of these, Dr. Steiner, is connected with Brooklyn College. The other three authors are connected with The College of the City of New York. Their book deals with about all of the topics commonly handled in textbooks for beginning students of economics, including some of the especially "up to date" topics.

Readers of **The Freeman** will be most interested, of course, in the authors' chapter on rent and in their treatment of the question of the socialization of rent.

At the beginning of their discussion one might, were it not for the antagonistic tradition among economists, almost suspect the authors of favoring rent socialization. For in commenting on land speculation they remark:

> "The land involved is usually bought by speculators and is thrown out of use as farm or truck land, and eventually subdivided into lots for sale to the public. There are often social losses incurred in this process of preparing land for urban use. First the services of the land as a farm are lost—and frequently for as much as 20 years; second the time and labor of the subdivider and his crew; third the capital invested as 'improvements' may be lost if the city does not grow in that direction; in many communities there may be seen miles of sidewalks and curbing with no houses along the way; fourth there are losses due to dislocation of economic relations in the community.

They then point out that "when, by reason of population growth, land rises in value the increment is frequently called the **unearned** increment." But the very next sentence apparently indicates a feeling of the authors that, on the average and in the long run, there just isn't any net unearned increment worth serious consideration. For this is what they say:

> "Yet, in fact, for the fortunate few, or their descendants, who benefit from such an increase in value, there are many who took similar risks in buying and holding other land only to see it decline in value."

Later, they express the same idea by saying: "Enormous decrements of land values have ensued." And still later, under their summary of "Criticisms of the Single Tax," the authors say:

> "If unearned increment in land is to be discriminated against, it would be only fair to use the tax proceeds thus obtained for compensating other landowners for unearned decrements. There are thousands of owners of farm and urban land today who would not obtain as much for their property as they paid for it."

By this time it must be obvious to readers of this review that the authors are following the conventional pattern of opposition to Henry George. And they seem to be betraying a conventional lack of understanding of Henry George's real proposal, notwithstanding they do say that "the object of the single tax is to tax away the unearned economic rent." For the complaint which those who follow Henry George have of the present set-up is not at all of the "unearned increment" in the sense that some land will now bring a higher price than the price the owners paid for it.

To illustrate, let us compare the land problem in this regard with the problem of slavery. Those who have opposed human slavery have not put their opposition on the ground that some slave owners may find their slaves worth more than they paid for them or may be able to sell them for more than the price at which they bought them. Thus, if Smith has bought a young slave for $1,000 that he is later able to sell for $1,600, the real exploitation involved is not to be measured by the **increase** of $600 in the value of the slave. Though the total value of any slave or of all slaves may indeed be an indication of the extent of exploitation going on, the question whether slaves are becoming more valuable or less valuable than at some previous date has little or no relevancy. The real question is not whether Smith has got more for his slave from Jones than he formerly paid to Watson in purchase price. The question is rather, aside from the matter of deprivation of personal liberty, whether Smith is getting more **from the slave** than he pays **to the slave.**

Similarly in regard to land. Whether a particular piece of land or whether land is general has now a higher sale value than it previously had is not the question of importance. The real question is whether some must pay rent to others for **permission** to work on and to live on the earth and for the use and enjoyment of **community**-produced advantages. It is, expressed in reverse, whether a part of the people shall have the exclusive privilege of collecting this rent. The sale price of a piece of land or a site—as distinguished from any improvements on it—is but the capitalization of the expected future rent to the owner. And so any sale price at all, even though it be lower than some previous sale price, so that there is what our authors call a **decrement**, nevertheless indicates an expectation that the private owner of the land may still collect tribute merely for giving others his **permission** to make use of advantages due not at all to his efforts but to geological forces and to community development.

* * *

In (1) of their "Criticism of the Single Tax" the authors say, among other things:

> "The imposition of such a tax would cause a major panic which would profoundly upset all business."

Whatever they may mean by this statement, the reader will naturally suppose they mean business depression in the usual sense, with unemployment and reduced output. Yet in (2) of their "Criticisms," they say that:

"If all vacant land were utilized"—presumably because of a land-value tax—"the result would be to bring about an overproduction of crops or goods."

Do the authors mean, therefore, that the application of Henry George's remedy would at the **same time** decrease output and also **increase** output,—that it would at the same time **decrease** employment and **increase** employment? If this is not what they mean, then what do they mean?

* * *

Number (7) in the authors' "Criticisms" includes **two** points. The first is that "The Single Tax is not a cure-all,"—as if anyone would claim that it is! The second is that "it would cause such an upheaval in established ways of doing business, that a major panic might ensue." But this part of (7) seems to be merely a restatement of the first point mentioned in (I).

The authors' allegation that returns on improvements could not be distinguished from land rent appears in (3) in the form of a statement that this would be "impossible" and that, therefore, "the single tax would either be in excess of the economic rent, in which case capital would be taxed, or less than the economic rent, in which case the single tax would fail of its purpose."

It will surely be a bit startling to readers of **The Freeman** to see this statement, in case every last cent of rental value is not taken in tax, the "single tax must fail of its purpose."

But funnier, perhaps, is the appearance, in (6), of what **seems** to be intended as the same idea. True, the authors do not say in terms, in (6), that improvement returns could not be separated from rent and they do not again use the word "impossible." What they say in (6) is that there would be "great difficulty" in "ascertaining the value which had been added to the land by improvements, such as draining, clearing, fencing and cultivating."

Clearly, if we were to tax only land values and were not to tax improvements at all, there could be no reason whatever for "ascertaining the value which had been added to the land by improvements," unless the reason was that to do this would **help** in estimating **what part** of the value of a piece of property was pure land value. Either, therefore, (6) is altogether irrelevant or else it is just a restatement of (3).

* * *

Besides the statement that the single tax "would cause a major panic," a conclusion for which the authors give no reason or evidence, (I) contains also the assertion that:

"The present owners of land would find it impossible to sell their holdings. The present capitalized value of land would melt away due to lack of purchasers willing to assume new burdens."

Here we have stated as a "criticism," a point that those of us who urge the socialization of rent consider a great advantage. For a falling sale price of land, coupled with removal of taxes on improvements and commodities, makes for greater ease in acquiring ownership of land and, hence, for a substantial diminution in tenancy. Also, the high price of land stands in the way of every scheme to provide low-cost housing for the poor. The fact is that high sale prices for land are not to be desired but are, rather, an economic and a social calamity.

That the authors are opposed to the socialization of the rental value of land is made clear in various places in their chapter on rent and elsewhere. Thus, they speak of Henry George's Progress and Poverty as having "received wide acclaim from socialists." Why mention **especially** the socialists, since Henry George's position is essentially individualistic, since many who are not socialists have "acclaimed" Henry George, since his professed followers are generally opposed to socialism, and since not a few socialists have been contemptuous of his reform?

And what shall we say about the statement that "the cult has not completely died out"? Or about the authors' following pronouncement on what is desirable tax policy:

"The only safe rule is to institute a mixed system of taxation, including both direct and indirect taxes, levied upon property, income and consumption, the whole conforming, so far as possible, with the various theories already discussed."

These "various theories already discussed" are "the benefit theory," "the faculty theory," "the social theory" and "the equality of sacrifice theory." And nowhere do the authors reveal any understanding of the reasons why the rent of land is an especially desirable source of public revenue.

Assuming it is to be proved that the "single tax" would be insufficient to meet all of the essential revenue needs of government, this would be no argument whatever against the socialization of rent. It would be **no argument at all** against using the annual rental value of land as **the** chief source or **a** chief source or the **first** source of revenue, to be supplemented by other taxes in the order of their desirability. **Why don't the authors say so?** Why do they insist on tying up, throughout their discussion, the fundamental problem of the socialization of rent with the purely incidental and relatively unimportant question whether such socialization would take care of all public needs?

But note, nevertheless, how very broadminded the authors are! They are willing to admit that, after all, Henry George may have done some good in the world. Of course there was nothing in the main idea on which he spent much of his life! It is simple to show, in just a few well-chosen words, how fundamentally fallacious and utterly impracticable his main idea and his program of action were, so that any elementary student of economics can easily see that Henry George was altogether wrong-headed! But George was quite a man for all that! As our authors put it he "did not live in vain, for his ethical ideas were pure and noble and served to convince the following generation that economic problems cannot be solved unless reasoning, observation and experience be animated by a driving moral force!"

And thus we come at last to the exciting climax—or is it rather the almost unbelievable anti-climax or the stunning ideological debacle—of another college textbook presentation of the land-value-tax question. Would not further comment by the reviewer be altogether superfluous?

—HARRY GUNNISON BROWN.

News of the Crusade for Economic Enlightenment

New York Prepares for Doubled Enrollment; Plans New and Increased Activities

NEW YORK—A sharp spurt forward in classroom enrollments and all related activities at the Henry George School is anticipated by the staff according to information gathered from Frank Chodorov, Director, and various School officials and volunteer workers.

Classroom Capacity Doubled

The Fall semester, opening on September 23, will also mark the opening of 2 newly remodeled floors in the headquarters building at 30 East 29th Street. One floor provides an additional 8 classrooms and the other a meeting room accommodating 200 persons and added office space. At present the School can conveniently provide facilities for 2,000 students weekly. The added classrooms will at least double this capacity, and if weekday afternoon classes are conducted, a proposal under consideration, seats for 5,000 students will be available every week.

Months of hard work by the regular School staff and many volunteers went into preparation for the anticipated spurt. The remodeling work of the upper floors of the headquarters building was organized and supervised by Robert Chananie, architect and instructor at the Henry George School; Otto Dorn, Trustee; and a committee on interior decoration consisting of Margery Warriner, George Hansen and Albert Gants. Mr. Chananie drew up the plans. Mr. Dorn, who as former President of the Ground Gripper Shoe Company supervised many store remodelings, took charge of the work, while the Interior Decorating Committee, composed in part of professional decorators, worked on color combinations and other related details.

Student Drive Speeded Up

In order to take full advantage of the increased facilities, a greatly expanded drive will be made for enrollments. Under the supervision of Edwin Ross, Jr., Assistant Director of the Henry George School, 100,000 triplicate postcards have been prepared for mailing to selected lists. More than 80,000 of these were addressed by volunteers enlisted from the summer classes. Assisting Mr. Ross in supervising the selection of lists and the enlistment of volunteers were Beatrice and Laura Brest, graduates of the School.

It is anticipated that the 100,000 postcards, many of which were sent to persons recommended by students, will bring a minimum of 2,000 new students. A 35-inch advertisement, scheduled for publication in the New York Times Magazine Section on September 8 and in other papers is expected to add at least another 2,000 to the rolls for the fundamental course. No accurate forecast can be made yet as to the number of enrollments in the advanced classes, but ever since they were inaugurated they have shown a consistent, sharp increase each term.

Lectures in New Meeting Room

The meeting room was constructed to provide convenient facilities for lectures and forums. Under the direction of Sidney J. Abelson, assistant to Mr. Chodorov, an effort will be made to fill the room every evening. One of the purposes will be to attract outsiders; that is, persons not at the moment taking School courses or even interested in doing so. In this way contact will be established with many organizations with the hope of bearing fruit in the future.

The first series of talks that has been arranged will be conducted on Monday evenings beginning September 30 by the instructors of the Henry George School.

ANNOUNCEMENT

A number of solicitations have been made recently to students and graduates of the Henry George School on behalf of prospective organizations or publication of book manuscripts, etc., by persons acting independently and on their own initiative. Because of the similarity of these efforts with the objectives of the Henry George School it has seemed to some that they they had the School's official endorsement. Without reference to the merits of any particular independent effort the School wishes to make it known that its own activities are always conducted through its regular facilities and it assumes no responsibility for any other solicitations.

Boston Multiplies Efforts

BOSTON, Mass.—A report by Harold J. Power, Chairman of both the Publicity Committee and the Fund Drive Committee, Boston Extension, Henry George School, states that promotion plans call for a program tripling previous efforts. A registration at least double that of the Spring term is anticipated. Mailing cards, paid newspaper advertising and general publicity will be utilized.

Mr. Power also announced that arrangements have been made to secure an expert lecturer to lead a training class for the preparation of speakers to address clubs, church organizations and similar groups in an effort to attract new students to the School.

The drive for funds for the support and expansion of the Boston Extension has been continued throughout the summer—with a resulting total of $864.90 in pledges for the coming season.

Mr. Power ends his report by stating that the results achieved were made possible through the persistent, all-summer efforts of Mr. Codman, Dr. Morgan, Mr. and Mrs. Goodale and George Almond and that spirit is running high in Boston.

St. Louis Plans Ahead

ST. LOUIS, Mo.—Organization and Fall campaign plans were discussed at a special meeting of friends and graduates of The Henry George School on August 12 at the Cabanne Branch Library, 1106 No. Union St., N. D. Alper, Acting Secretary, reports.

The evening's program included, in addition to the business of Fall planning, a discussion of "Money and Credit" in relation to our total economic problems.

Westchester Forges Ahead

WESTCHESTER, N. Y.—Richard M. Connor held a meeting of the teachers and graduates of the Westchester area at his home, 117 Alexander Ave., White Plains, on August 14. Plans were made for ten classes in Fundamental Economics and Principles of International Trade to open the latter part of September.

Farris Inspires Fellowship

CHICAGO—P. C. Farris, spring term graduate of the Henry George School, inspired a crowded meeting of the Henry George Fellowship Tuesday evening, August 12, when he spoke on "Looking Ahead in America." Mr. Farris is sales manager of the National Gas and Oil Sales Company.

Hillman Addresses Kiwanis

HARTFORD, Conn.—Nathan Hillman, Director of the Hartford Extension, Henry George School, recently addressed the Hartford Kiwanis Club on "American Solution for Business Depressions." The talk resulted in many inquiries for information about the School and The Course.

N. J. Classes Increase

NEWARK, N. J.—William L. Hall, Secretary of the New Jersey Extension, announces plans for 30 classes in Fundamental Economics and International Trade, and five advanced classes in New Jersey this fall. He also revealed that negotiations were under way to establish a permanent School office in Newark.

At a meeting of the teachers and graduates held on August 15 at 744 Broad Street, those present made suggestions and volunteered help in securing several locations for classes. Everybody present offerred to contribute toward the success of the Fall plans either by securing lists of names of people to be advised of the courses, by seeking newspaper publicity or by distributing posters announcing the classes in their offices and clubs.

At the conclusion of the meeting, Miss Teresa McCarthy showed slides of views of New York City appropriate for use in illustrated lectures by members of the School's Lecture Bureau. Mr. Joseph Susskind was named head of a Photographic Group to do the work of preparing slides for illustrated lectures in New Jersey.

Speakers Bureau Progressing

CHICAGO—the first engagements for the speakers bureau of the Henry George School were announced by Mrs. Edith Siebenmann at the last meeting of the bureau's workshop on August 13. The engagements are at the Chase Park Speakers Club on September 13 and at the Educational Forum to be sponsored by the Ninth District of the Illinois Federation of Women's Clubs at the People's Church on October 24. The Educational Forum will be an exceptional opportunity to interest women leaders in the classes of the Henry George School.

Evanston Reunion Dinner

EVANSTON, Illinois — The Evanston and North Shore classes of the Henry George School held a reunion dinner on July 19. Thirty graduates attended and heard addresses by J. L. Monroe, Dr. J. Benton Schaub and Prof. Hiram Loomis. Tex Farris was master of ceremonies and Leonard Nitz, Chairman of the dinner. A detailed report of the dinner was carried in The Evanston Review.

Detroit Speakers Busy

DETROIT, Mich.—The Speakers Bureau of the Henry George School held 17 speaking engagements during the summer in High and Intermediate Schools on the subject "Individualism versus Collectivism." More than 3000 summer session pupils and 100 teachers heard the talks. William J. Palmer, Edward W. Barckin, and Spencer Heath handled the speaking assignments.

Schedule of Classes (Fundamental Economics)

Fall Term, 1940

Chicago Extension

Henry George School of Social Science

DOWNTOWN	
Mon., Sept. 16, 6:30 p. m.	Room 600, 64 W. Randolph St.
Wed., Sept. 18, 6:30 p. m.	Room 600, 64 W. Randolph St.
Fri., Sept. 20, 6:30 p. m.	Room 600, 64 W. Randolph St.
NORTH SIDE	
Mon., Sept. 16, 8:00 p. m.	6453 N. Wayne
Tue., Sept. 17, 7:30 p. m.	The People's Church, 941 Lawrence
Tue., Sept. 17, 7:30 p. m.	*Irving Pk. YMCA, 4251 W. Irving Pk.
Thu., Sept. 19, 8:00 p. m.	Lincoln-Belmont YMCA, 3333 N. Marshfield
WEST SIDE	
Thu., Sept. 19, 7:30 p. m.	Austin Pub. Lib., 5609 Race Ave.
Thu., Sept. 19, 7:30 p. m.	Jane Addams Houses, 1265 Cabrini St.
SOUTH SIDE	
Mon., Sept. 16, 7:30 p. m.	Brainerd Community Church, 88th and Throop
Tue., Sept. 17, 7:30 p. m.	Englewood YMCA, 6545 S. Union
Tue., Sept. 17, 7:30 p. m.	6119 S. Rockwell
Wed., Sept. 18, 7:30 p. m.	Bryn Mawr Community Church, 7000 Jeffery
Thu., Sept. 19, 7:30 p. m.	Hdye Park Neighborhood Club, 1364 E. 56th
Thu., Sept. 19, 7:30 p. m.	Woodlawn Methodist Church, 65th at Evans
Fri., Sept. 20, 8:00 p. m.	Wabash Ave. YMCA, 3763 S. Wabash
Mon., Sept. 16, 8:00 p. m.	Highland Pk. YWCA, 374 Laurel
SUBURBAN	
Mon., Sept. 16, 8:00 p. m.	Winnetka: Community House, 620 Lincoln
Tue., Sept. 17, 7:30 p. m.	Evanston: Public Library, 1703 Orrytn.
Tue., Sept. 17, 7:30 p. m.	Park Ridge: Mary Wilson House
Wed., Sept. 18, 7:30 p. m.	Des Plaines: Municipal Building
Wed., Sept. 18, 7:30 p. m.	Niles Center: 5032 Morse
Wed., Sept. 18, 8:00 p. m.	Oak Pk.: Grace Church, 924 Lake St.
Thu., Sept. 19, 7:30 p. m.	Berwyn: Berwyn State Bk. Bldg.
Fri., Sept. 20, 7:30 p. m.	La Grange: Community Center, 104 N. Lag. Rd.
Fri., Sept. 20, 7:30 p. m.	Blue Island: Community High School

*Subject to confirmation

The above Schedule does not include a number of special and industrial classes as well as a full curriculum of advanced courses, arrangements for which were not fully completed at the time of going topress.

Novel Promotion Idea

BAINBRIDGE, New York—George H. Comings, a graduate of the Henry George School correspondence course in Fundamental Economics is using a novel method of promoting the Georgist doctrine. His personal stationary contains quotations taken from the writings of Professors Ely, Rauschenbush and Commons, the observations all supporting a point in George's teachings. The letterhead also carries some interesting statistics, such as the fact that the site of the Chicago Post Office, purchased 78 years ago for $28.00, was acquired by the Federal government from the Wendell estate for $6,000,000.00.

College Credits Course

YELLOW SPRINGS, Ohio — Antioch College has granted full academic credit to Neal Daniels for the course in Fundamental Economics he took last summer at the Henry George School. The credit granted was equal to that allowed for equivalent work (hours of study) in Antioch's social science department.

New Class in Girls Club

NEW YORK, N. Y.—Arrangements have made through Ruth E. Quigley, Executive Secretary, The New York League of Girls Clubs, Inc., to conduct a fifteen-weeks course in Fundamental Economics and Principles of International Trade for the members of the League at their club rooms. The course will commence on Tuesday, Oct. 8.

Contact with the League was established through the efforts of Sara Wald of the editorial staff of its official publication, League News, and a graduate of the Henry George School.

Honor Pioneer Georgist Women

CHICAGO—Henry H. Hardinge will pay tribute to "Pioneer Women in the Henry George Movement" in an address before the Henry George Woman's Club as it opens its new season on Tuesday evening, September 10. The meeting will be held in the new headquarters of the Henry George School, Chicago Extension, 600 Garrick Building, 64 W. Randolph St.

"A Georgist America in Five Years" Predicted by Ad Campaign Speaker

NEW YORK—A rally of volunteer workers engaged in raising a fund for a Fall advertising campaign for the Henry George School was held in the Students Room of the National Headquarters Building on August 7. The progress of the fund-raising efforts was outlined by David Targ who also delivered an appeal for redoubled efforts to "put the Henry George School on the map" without delay.

Mr. Targ's appeal was preceeded by a short talk on "A Georgist America in Five Years" by Sidney J. Abelson. Mr. Abelson pointed out that though the Georgist movement lacked the melodramatic qualities of other supposed proposals for social reform, it still is "a great adventure." "Those of us who are participating in it," Mr. Abelson continued, "are engaged in an enterprise of daring that can be measured only in terms of the magnitude of civilization itself"

After designating the "promissory policies" of the dictators and collectivistic rulers everywhere as "pie in the sky theories" Mr. Abelson said, "But what about George? Does he call upon society to immolate itself on an altar of dogmatic doctrine? Not at all.

"George offers a doctrine for human betterment that is immediately applicable. He calls for no martyrdom of man or men. He asks for the destruction of no nation, no race, no creed. He says the way to build is to build—he warns that destruction as a means can lead only to destruction as an end."

"These are principles of social action," Mr. Abelson continued, "which are becoming increasingly attractive to a bunkoed and war-weary world. Everywhere people are tired of the obscene clamor of militaristic proposals for reform. The soul is rebelling against debauchment by dictatorial dogmas. I believe that the 'pie in the sky theorists' have spent their strength and the way has been opened for Georgism to present its case. I believe that the world is ready to listen to us. It is now up to us to speak."

The speaker then pointed to the rapid rise of new social doctrines in recent years. In each case, he said, conditions were favorable for the rise of Bolshevism, Naziism, New Dealism. He concluded, "The circumstances now are becoming increasingly favorable for the establishment of Georgism—and so our time has come."

New Correspondence Course

NEW YORK—The course in Principles of International Trade, based on Henry George's Protection or Free Trade, has been adapted by Frank Chodorov for use in the Correspondence Division of the Henry George School and will be offered to those who have completed the Correspondence Course in Fundamental Economics. The problems of foreign trade arising from the current international situation give the subject of this new Correspondence Course a special timeliness.

Summer Grads Hear J. Z. White

CHICAGO — Twenty-five graduates of five summer classes of the Henry George School received their certificates at commencement exercises held in the Central YMCA College Cafeteria on Monday evening, August 12. Henry L. T. Tideman, director of the Chicago Extension, was toastmaster. John Z. White, veteran Georgist lecturer, was the speaker of the evening. Graduates who spoke were W. Edward Anderson and Theodore Nelson, both of the class of Willis E. Shipley at the Lincoln-Belmont YMCA. Other instructors of the summer term were Hiram B. Loomis, Clifford C. O'Neal, Ernest Falzin and Mr. Tideman.

Speakers' Bureau Reports

NEW YORK, N. Y.—Dorothy Sara, Secretary of the Speakers' Bureau of the Henry George School reports the following bookings for the Fall and Winter season:

Dec. 1, 1940—Warburton Ave. Baptist Church, Yonkers, N. Y.

Jan. 26, 1941—Fireside Fellowship Club, Woodmere Methodist Church, Woodmere, L.I., N.Y.

Numerous inquiries have been received from all types of organizations and it is anticipated from this advance indication that the number of talks sponsored by the Henry George School this Fall will far exceed that of last season.

Phila. Prepares for Fall

PHILADELPHIA, Pa. — Burton N Jones presided at a meeting of the teachers and graduates of the Philadelphia Extension which was held at the Social Service Building, Juniper Street, Philadelphia on August 12. At this meeting plans were outlined for ten classes in Fundamental Economics and Principles of International Trade; one class in Science of Political Economy; and one class in Democracy Versus Socialism this Fall. Miss Teresa McCarthy of the New York office attended the meeting.

F. C. Leubuscher Is Dead; Henry George School Trustee

ESSEX FELLS, N. J.—Frederic Cyrus Leubuscher, 81, an intimate friend of Henry George and a lifelong advocate of George's social and economic doctrines, died on August 18 after a two months' illness.

Mr. Leubuscher was vice-president of the Board of Trustees of the Henry George School, and a trustee and director of the Robert Schalkenbach Foundation, Inc., of which he was one of the original organizers. He was formerly president of the Manhattan Single Tax Club.

Mr. Leubuscher was the son of Louis Leubuscher, a participant in and later a refugee from the German revolutions of 1848-1849 and a soldier in the American Civil War, and Catherine Horner Leubuscher. He was born in New York City, attended the public schools, City College and Columbia University Law School. He began practising law in 1884 and was active in his profession until his recent illness.

Ever since participating in George's campaign for the mayoralty of New York in 1886, Mr. Leubuscher continued to play an active role in the movement to bring about a Georgist reform of society. Despite his advanced age he retained faith in the ultimate success of the cause. He took especial interest in recent years in the work being done by the Henry George School.

"Lo! here, now, in our civilized society, the old allegories yet have a meaning, the old myths are still true. Into the Valley of the Shadow of Death yet often leads the path of duty, through the streets of Vanity Fair walk Christian and Faithful, and on Greatheart's armor ring the clanging blows. Ormuzd still fights with Ahriman—the Prince of Light with the Powers of Darkness. He who will hear, to him the clarions of the battle call.

"How they call, and call, and call, till the heart swells that hears them! Strong soul and high endeavor, the world needs them now. Beauty still lies imprisoned, and iron wheels go over the good and true and beautiful that might spring from human lives.

"And they who fight with Ormuzd, though they may not know each other—somewhere, sometime, will the muster roll be called."

Objections Overruled

(Suggestions for presenting the Georgist doctrines simply and effectively to "doubting Thomases.")

Years of collectivistic propaganda, leftist and rightist as well, have conditioned people to place an exorbitant amount of faith in "the government." Men and women of all shades of opinion look to the State for solution of economic problems. In such a climate the teaching of Georgism is doubly difficult, for Georgism, instead of placing more reliance on the State, would actually deprive it of all its economic responsibilities toward individuals as such.

Your collectivist will object to this principle. Ask him then what constitutes economic well-being. The answer, obviously, is the possession of individually desired material goods and material opportunities. In short, **production** is the basis of well-being. State production, except in certain limited spheres, is confined to military preparations—and this, economically speaking, is not production at all, for armaments do not satisfy the spontaneous desires of human beings. Only the individual is capable of judging the desires of other individuals and producing goods in terms of that individual's desires. When the State enters into production, it does so on the basis of arbitrary decisions of what people **should** want—not on the basis of what they **do** want. The State, being personified in a small group, is limited in its capacity to estimate human desires; as a result, it resorts to summary, moralistic conclusions of what is "good" for people, or what they "need." This is the proceedure in a prison. When the State takes over production all inhabitants within its sphere of authority become, in fact, wards of a gaoler, subject to regimentation in every sphere of personal life; what they eat, what they wear, where they live, all these are determined for them not by their own free will but by "authorities."

Questions and Answers

The following questions and answers on Georgist doctrines are selected from Louis F. Post's "The Taxation of Land Values," and edited to bring them up-to-date:

Q. Would not the Single Tax increase the rent of houses?

A. No. It takes taxes off buildings and materials, thus making it cheaper to build houses. How can house rent go up as the cost of building houses goes down?

* * *

Q. Do not the benefits of good government increase the value of houses as well of land?

A. No. Houses are never worth any more than it costs to reproduce them. Good government tends to diminish the cost of house building; how, then, can good government increase the value of houses? Houses, being attached to land, seem to increase in value, when it is the land and not the house that really increases. It is the same mistake that a somewhat noted protectionist made when he tried to show that there is an "unearned increment" to houses as well as to lands. He did so by instancing a lot of vacant land which had risen in value from $5,000 to $10,000 and comparing it with a house on a neighboring lot which, as he said, had also increased in value from $5,000 to $10,000. At the moment when he wrote, the house to which he referred could have been reproduced for $5,000; and had he reflected or made inquiries, he must have discovered that it was the lot on which the house stood, and not the house itself, which had increased in value.

* * *

Q. What difference would it make to tenants whether they paid land rent to the community or to private owners?

A. Much the difference that it makes to partners whether they pay money into the partnership or to outsiders. When tenants pay to the community they are paying in part to themselves; and what others pay they share in, for they are part of the community. They are also exempt from taxes. And since there would be no inducement to speculate in land if rent went to the community, building land would be more plentiful and rents for residences would consequently be lower.

* * *

Q. If the ownership of land is immoral, is it not the duty of individuals who see its immorality to refrain from profiting by it?

A. No. The immorality is institutional, not individual. Every member of a community has a right to land and an interest in the rent of land. Under a Georgist economy both rights would be conserved. But under existing social institutions the only way of securing either is to own land and profit by it. To refrain from doing so would have no reformatory effect. It is a mental eccentricity to believe or profess to believe that institutional wrongs and individual wrongs are upon the same plane and must be cured in the same way by individual reformation. But individuals can not change institutions by refraining from profiting by them, any more than they could dredge a creek by refraining from swimming in it. Institutional wrongs must be remedied by institutional reforms.

Letters to The Editor

Suggests A Lighter Touch

I like **The Freeman** in its every department, and would not be without it for double or triple the present price.

It has been well said that one picture is worth ten thousand words. I have still a vivid recollection of a cartoon in one of your earlier issues, and of the lesson it illustrated. It shows a man appalled by slum conditions. He enlists architects, borrows money — in other words, puts labor and capital to work—to clean up the mess, only to encounter the benumbing effect of landlord extortion. In the final picture of the cartoon all has sunk back to the original apathy and despair. The effects of monopoly landlordism are so vividly shown by this series of drawings that it would be worth reprinting and distributing to students and others . . .

In a dreary world of slaughter and devastating destruction the soul craves the refreshment of the light touch. This is easy to attain. All that is needed is to develop writers like Dean Swift and Anatole France. Do not, however, allow my joke to divert you from my purpose, which is to express the hope and desire for as much gaiety, or at least irony, as possible in the treatment of the grim reality of economic rent.

Among so excellent an array of articles what selection, can be made for special commendation? On the historical side Mr. Chodorov's "Civilization Or Cave Man Economy" deserves a far wider reading than I fear it will receive.

The statistical articles of the Freeman provide knock-out arguments. Mr. Steele's "The Technological Dodge," "The Riddle of 14th Street," by Sidney Abelson," "40 Wall Street," by R. Thompson, "The Source of Profits," by M. S. Lurio—these are only a few of the many that contain the results of much research work for which the student and teacher of the gospel should be humbly grateful.—Herbert Thomson, Brooklyn, N. Y.

Approves Term "Single Tax"

Condemning of **"all taxation** as immoral" includes even the levying of a "Single Tax" against present legal holders of "the privilege of collecting rent"; whether the levying is foolishly based on shifting capitalization of the privilege, as is now customary,—or directly against the only real Land Value—Rent—as it obviously should be.

Yet such a levying ("tax") on this legalized privilege (even to the full net value of it as competitively determined) is certainly not made "immoral" by

Who's Who in Georgism

Charles G. Merrell

Charles George Merrell, one of the sponsors of the Cincinnati Extension of the Henry George School, was born in Cincinnati August 2, 1867.

Upon receiving the degree of Bachelor of Science from Massachusetts Institute of Technology in 1888, he entered the laboratories of the Wm. S. Merrell Co. He became president of the firm in 1915, retiring from active management in 1937 to become Chairman of the Board.

In 1898, before going West for his health, Mr. Merrell's interest in Henry George was aroused by a Mr. Merryweather, an Englishman. He ordered copies of "Progress and Poverty" and "Social Problems" sent to him at Las Vagas, N. Mex. Mr. Merrell immediately saw the truth in these works, possibly, he thinks, because freedom is a cardinal principle of the New Church (Swedenborgian) of which he is a member.

In 1936 Mr. Merrell was elected County Commissioner of Hamilton County and he has served as president of the Commission since 1939. He is a trustee of the Cincinnati College of Pharmacy, past president of the American Drug Manufacturers Association, life member of the American Pharmaceutical Association, president of the Cincinnati Lawn Bowling Club, and a member of the Cincinnati Technology Club and of the Cincinnati Club.

Mr. Merrell married Lillie Hussey, September 23, 1891. Their children are Frederick E. and Donald Merrell, and Cora Merrell Smith.

terming it a "tax," however obnoxious other taxes are.

The question raised is as to a **practical "NO-TAX" way of collecting this rent;**—without confusedly revolutionizing our established systems—(1) **of private holding of land,** or (2) of collecting public revenues.

In any case it seems that levying a Single Tax against privilege holders is not reasonably barred by the fact that other levies (taxes) are immoral. **Please definitely present a "No Tax" method** of collecting rent—if found better than the "Single Tax" method.

The latter certainly is handicapped at present by official assessing of phantom "capitalized" values instead of the real —(**Rental**)—"Land Values"; but the mere fact that other government levies are bad does not condemn our clearly distinguished "Single Tax," does it? Universal English usage compels acceptance of any "Government levy for revenue" as a "tax."—Walter G. Stewart, Reading, Pa.

Biggest Buy

I think the Freeman is the biggest publication buy I know. I hope you can keep up the good work and some day be read by millions of people.—J. Benton Schaub, Wilmette, Illinois.

On the Margin

It's a small world after all. Either that or else Georgism is making wider and deeper inroads than we suspect. Two instances to prove the point:

Sandy Wise, New York Henry George School instructor, was having a luncheon discussion the other day with two executives of the James McCreery department store at 34th Street and Fifth Avenue. "You talk as if you studied at the Henry George School," remarked one of them to Sandy. And that it seems, may be the beginning of a beautiful friendship. Both Mr. Symonds and Mr. Ernst, the executives in question, had taken courses at the School and are now ardent advocates of Freedom.

* * *

And again: In the course of trying to induce Charles J. Basch, Jr., of Basch Radio Productions to get up a Georgist program, your correspondent discovered that talking Henry George in this case was carrying coals to Newcastle. "Did you study at the Henry George School?" we asked. "No," Mr. Basch replied, "there is no need for that. The chap next door runs in here now and then to tell me what he's learned the night before."

The "chap next door" is **Morris M. Sanduskey,** student in the Teacher's Training Class.

* * *

In an article on "War and Economics" in the Summer 1940 issue of the magazine "THINK," **Louis Wallis,** the veteran Georgist and distinguished author, reminds his readers that the ex-Kaiser's family name, Hohenzollen, literally means "High Toll Taker," or in plainer English, "Exalted Grafter."

* * *

Both **The Freeman** and The New York Henry George School are becoming increasingly better dressed up, thanks more than a little to the efforts of **Mark Schneider,** volunteer artist extraordinary. The departmental captions in The Freeman and numerous posters about the building are the results of Mark's deft skill in lettering.

* * *

Congratulations are due **W. P. Hansen** whose skillfully written plug for Georgism evaded editorial blue pencils and made the columns of the Hudson Dispatch, Union City, N. J.

* * *

Maurice E. Welty, instructor at the Chicago Extension, Henry George School, spent his August vacation in Texas. Why Texas in the summer? After the heat generated by his students in classroom discussion any place was cool by comparison, is Mr. Welty's explanation.

—BILL KITAY

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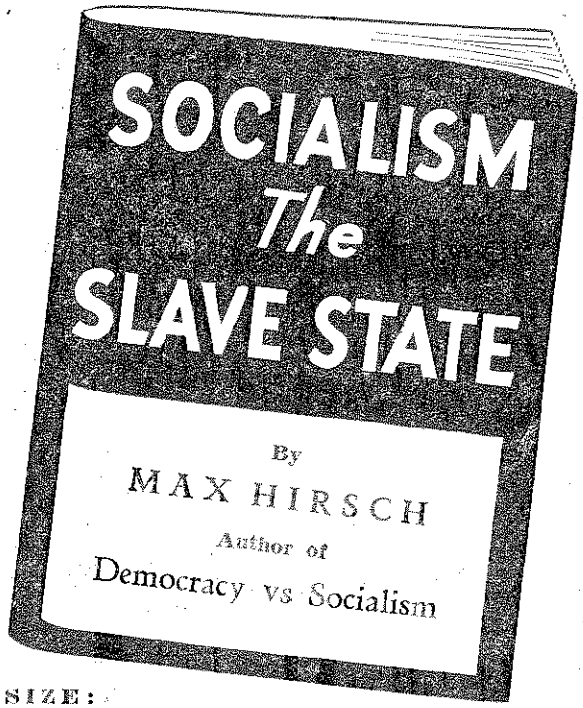

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