

**VOL 7**

**SAGE'S**

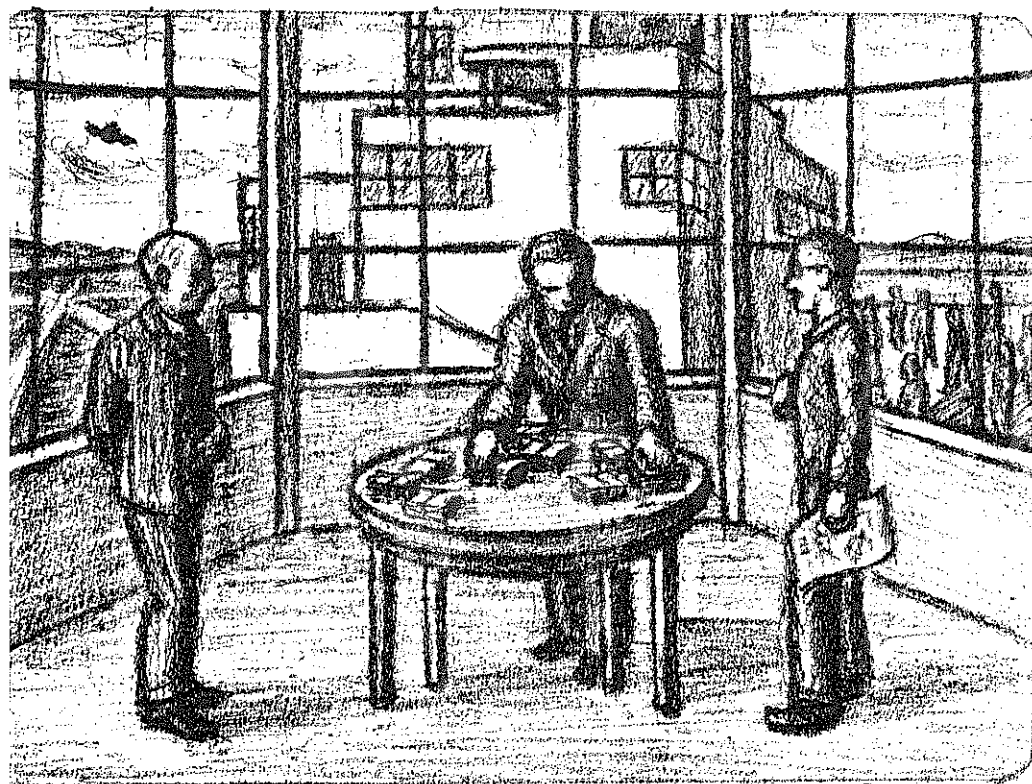
**NO 5**

**PAGES**

**WINTER**

**1955**

**THE LAWS OF DISTRIBUTION**



# SAGE'S PAGES

## HENRY GEORGE

\*\*\*\*\*  
 " Our Father which art in Heaven" -- not the  
 father of any sect, of any class, but the father of  
 all men. The All-Father, the equal Father, the  
 loving Father--He it is we ask to bring the Kingdom.  
 \*\*\*\*\*

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Cover-Drawing--Robert Clancy

# ALUMNI PAGES

## NEXT ISSUE

Our next issue will be called ALUMNI PAGES. It'll be just  
 what the name implies: several pages of news and views about the  
 Henry George School Alumni. It will be mailed (among other material)  
 to those contributing \$10 a year or more to the school. Single sub-  
 scriptions can be had for \$1 per year.

ALUMNI PAGES will try to tell you about activities, the recent  
 WHO, WHAT, WHY, WHEN and WHERE, and to keep you posted about events  
 to come. It's always open to interesting material and suggestions  
 from the alumni. But PLEASE, no party politics!

Look for our next issue -- ALUMNI PAGES -- it's your link with  
 your fellow alumni.

\*\*\*\*\*  
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# TARIFFS

**Oliver Ackerley**

A perennial war, taking place in the Legislatures of the world, is the one over tariffs. All one has to do to start a battle is to move that Tariffs be raised or lowered.

Before going further, let us define a tariff. The Winston Dictionary defines it as "a schedule or table of duties or taxes placed by a government on goods coming into a country." The Devils Dictionary defines it as a "tax, for the benefit of the domestic manufacturer, to protect him from the greed of his own consumers."

The basic purpose behind a protective tariff is to prevent the domestic manufacturer from being undersold by cheap labor and the domestic workman from being forced out of employment. Does a tariff do it's job? The answer must be a resounding "no", when looked at objectively. The only person who receives any benefit from a protective tariff is the manufacturer, as it enables him to raise prices. The worker and consumer receive no benefits.

Before going into the advantages or disadvantages of tariffs, we must first investigate what areas or groups should be protected. The usual cry is for a National Tariff, but as nations change their boundaries, one can see how fallacious this argument becomes. If Mexico became part of the Union tomorrow, all tariff barriers would fall, although Mexico would be no greater or lesser menace than it is now. Many of the State Legislatures have endeavored to pass laws imposing tariffs on imports into each state, but thanks to the wisdom of the formers of the Constitution, this is impossible. If each State thinks it needs tariffs, why not each county and town, and taking this idea to it's logical conclusion, let's exact a tariff barrier around each individual, to prevent his trading. When we go this far we begin to see how specious is the tariff argument.

Does anyone benefit by tariffs? The consumer obviously doesn't, as the addition of a tax raises the price.

The workingman doesn't, although at first glance it may appear that he does. One of the arguments used in favor of tariffs is that it prevents the workingman from being thrown out of work by cheap foreign labor. The cost of labor is not important in itself, what matters is the cost of production. Cheap labor is notoriously inefficient. One man in America can farm a section of 160 acres, but no one has ever suggested that at present one man can farm 160 acres in China or India, and because of our expansive machinery, we can do it more economically and efficiently. Another argument used

# SCENE AROUND

LARRY KOBAK

"Friday Evenings at Eight" was resumed this season with "Progress and Poverty in Pictures", a film strip, and accompanying readings from the book. School Director Robert Clancy, who had drawn the film strip illustrations, did the narration which touched off a lively discussion. A booklet containing the 42 illustrations of the strip can be bought at the school for 35 cents.

Pat Nicholson and Doris Thorn of Great Britain treated another "Friday Evening" with readings from the Bible, Shakespeare, and opera.

Why stay home Friday evenings when you can enjoy the best in culture, music, and celluloid at the school?

Lydia Kurchin, Correspondence Department Instructor has been receiving flowers from an unknown admirer.

Ceremonies commemorated the anniversary of the death of Henry George, October 29. Miss Cippolloni, of Philadelphia, laid a wreath at the Henry George tree in Central Park.

Earlier in the afternoon, some 25 people made a tour of St. Patrick's Cathedral, St. Thomas Church, and Temple Emanuel, and found it instructive as a part of interfaith observance as well as a tribute to George's memory.

Later, in the same day, the Alumni held their Halloween Dance. Until 12:30 the school vibrated to the steps of the Waltz, Foxtrot, and Mambo. Music was furnished by the Lighthouse Band.

With 80 people celebrating Halloween at the Alumni dance, the affair was a financial success, with a tidy profit. This income, together with the profits (or perhaps I should say Rent, Wages, and Interest) from all other social events will go into a special fund. The money made thus far will go toward a new motion picture projector for the school.

Men, you are missing a precious opportunity. In the past damsels have invariably outnumbered knights at the Alumni dances. Those who do come early enough have their pick from a host of gorgeous dolls.

\* \* \*

## Scene Around

The cry, "BINGO!", together with the chant of croupiers, and the ruffle of playing cards, mingled with the deep concentration of chess players as the Alumni gathered on Sunday, November 13th, for a "Games Night". The coffee shop was packed and the net from the day's activities brought us that much closer to the new projector. The proceeds from the Halloween dance and the "Games Night" amounted to \$41.20.

\* \* \*

Ralph Courtney addressed a Sunday afternoon Alumni meeting on the merits of the "Threefold" movement which stands opposed to centralization. "Majority decisions may not determine how to worship God, or the best way to educate. Nor can politics manage economic production. Save for the defense of individual rights, the cultural and economic functions of society must be decentralized from political control," he said.

\* \* \*

David Goldstein, ex-president of SAGE and former school regional secretary visited us recently. With his winning personality, Dave brought along some good news. He can now tack Esq. at the end of his name as he passed the Bar exam. But, that's not all. Sometime in June Dave and his comely wife expect to present the world with an additional Georgist.

\* \* \*

George Musalino, another ex-president of SAGE is now doing very well on his farm in Pennsylvania. We wonder how much help his knowledge of Henry George has been to him.

\* \* \*

More than one of the school's "Progress and Poverty" instructors are making things tough on themselves and their students by not using the lesson sheets in class.

\* \* \*

Rose Marie Rupp, now Rose Marie Alexander, is now leaving us for greener pastures in her home State of Illinois. We'll miss your beautiful person and personality, Rose Marie. Good luck and farewell.

Taking over Rose Marie's duties, Lois Jessop will preside over the front office and teacher's folders each evening.

# ALUMNI EVENTS

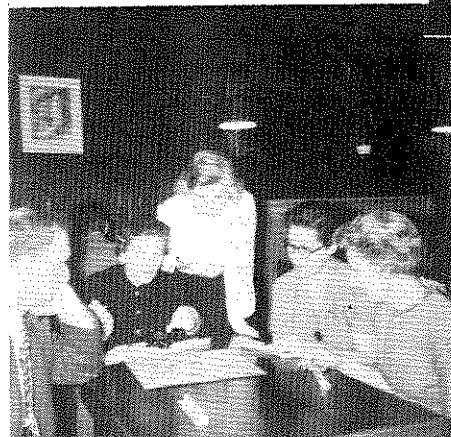
## 1955



### DANCE



### CHESS



### SCRABBLE

**The Man Who Batted 1000%**

Irving Faust is the type of man who would be a valuable asset to any endeavor. We Georgists can only thank God that he is on our side of the fence.

Recently I accompanied him on a tour of various retail shops in the mid-town area. The idea was to get the merchants to grant us permission to place a pocket poster containing enrollment cards in their establishment.

Irving's technique was to walk up to the owner of the shop and tell them a little something about the Henry George School. He would mention that we were trying to fight confusions such as Communism and Socialism with "education instead of agitation." Irving tactfully cited the fact that the School was trying to show the fallacy of the government's policy of strangling free enterprise with its confiscatory taxation of small business.

Out of six attempts I saw Irving successfully place six posters. Six for six is not bad in any league.

Who knows? Perhaps you may equal or surpass Mr. Faust's record. There are still plenty of posters left. Why not drop in, take a few, and then place a few.

\* \* \* \* \*

**SPANISH CLUB**

Gracias to the efforts of a small, but enthusiastic, group of Georgist Caballeros, we can now reach our Spanish friends in their native language. The Spanish Alumni Club, which met for the first time in October, under the guidance of Robert Rodriguez, staff member, has begun publishing a monthly Spanish periodical called "El Georgista," which will contain articles of particular interest to Spanish Georgists throughout the world. Also "El Georgista" will include publicity for the Spanish Correspondence Course in Fundamental Economics and is therefore offered gratis. If you can speak and write Spanish fluently, the Spanish Alumni Club cordially invites you to take part in their activities. Hasta luego.

For information contact Mr Robert Rodriguez at 50 East 69 Street, N.Y.21, N.Y.

# ECONOCLAST

by James Murphy

As promised in a preceding issue of Sages Pages, this article will try to explain some of the consequences and follow some of the alleys that will appear, if debit bills are used to any great extent in an economy. Since our present society is geared to a credit bill system, it may be a bit difficult to envision how drastic a change in the everyday workings of market place as well as the political scene, will result. The existing set-up is one of profit making, consumer balloting with dollars for producers of their choice, citizens balloting with their franchise votes for politicians of the competing parties' choice, and usury disguising itself as interest on capital, since money masquerades as capital as it is a credit note.

In any economy that utilizes yenom (debit currency) to any appreciable extent, the profit system as presently conceived, will disappear. This is because yenom is not a commodity like money, and can never be in short supply, the sole feature which gives money it's present buying and interest earning power. It is impossible to receive interest for the use of yenom. Who would pay anyone for the use of his debt? The supply of yenom notes is infinite, yet the demand for them will increase and decrease as the volume of business expands and contracts seasonally. Theoretically the law of supply and demand states that the value of any commodity varies inversely as the supply and directly as the demand. That is to say, that, the greater the supply, the lower the price or exchange value; the greater the demand, the higher the price. Yenom is a special case of the law. Since the possible supply of yenom is infinite, no matter how the demand changes, there can be no change in it's price or value. Therefore there can be no inflation or deflation of debit currency. It's volume will expand and contract according to the needs of business, but it's unit of evaluation can be kept constant.

Because of it's authoritarian method of issue by states and nations, money, today is an inferior balloting instrument in the market place. Like he who pays the piper calls the tune, he who makes money available, casts the most powerful ballots in the economic campaign. Some of money's power to channel production and effort into "favored" lines, can be summed up by the phrase, "the customer's always right." The converse, though never stated would be, "The producer's always wrong!" Ideally in a free economy such as George envisioned, neither consumer nor producer should be "boss", in the sense that the desires and tastes of either should dominate. Only through voluntary cooperation of both, can a peaceful, progressive society evolve. Yenom will provide the producers and consumers with a powerful economic ballot, for deciding who will receive how much of the wealth produced. Since it can be issued only by producers in an amount agreed on by both parties to the transaction, it acts as a vote of confidence in each other.

## THE ECONOCLAST

Inadequate as an economic ballot though money may be when compared to an ideal currency, it is still far superior to our present political vote for selecting men who will serve us. For purposes of comparison, let us imagine that we had to spend our economic ballots the way we do our political ones. Picture if you can a voting booth that you are permitted to enter once a year. In it you have to spend your entire year's pay-check for supplies for the coming year among a limited number of competitors. Let us further assume that these suppliers, like their present cousins the politicians, had repeatedly broken their promises in the past, as to what you were going to receive from them. What would be the result? It would make the paving scandals, 15% deals and tea-pot domes look honest by comparison. What control could consumers possibly have over the cupidity of organizations like Macy's, Gimbel's, A & P or any other large corporation that could garner enough votes to "win" such rigged elections. Yet there are many people, mostly Socialists, who would substitute the ballot box for the market place, to determine who was to get what, as well as produce what, for what price and of what quality, quantity and size.

It has been said that the spark to our contemporary society is the profit motive. In a yemom society it will be the Debit motive, or perhaps better the avoidance of debit motive. Even the touters of the velocity of money school, will have to concede that, short of a runaway inflation, a debit note would circulate faster than a credit one. When sufficient numbers of people are using debits to effect transactions, two very powerful forces will be brought into play. The first, because of Gresham's Law, will precipitate a monetary inflation, while the second, because of legal enactments, will shift the burden of taxation from producers and consumers onto the backs of privilege owners, bond holders and landowners. How this will come about will be the theme of a future article.

### MEMBERSHIPS

\$1 to \$4 Associate	School booklet, and yearly report of activities
\$5 to \$9 Affiliate	Membership card and subscription to Henry George News
\$10 to \$24 Active	Notices of all alumni events and it's magazine
\$25 to \$99 Contributing	Faculty and extension letters
\$100 to \$999 Supporting	All school literature
\$1,000 and more Sustaining	Complete reports and special invitations

Each class of membership receives all the literature listed for the preceding classes as well as that specifically mentioned.

At a recent school graduation, Walter E. Sullivan, who had just completed the History of Economic Thought taught by Joseph Jespersion, offered some advice to the new members of the alumni. We think his remarks worth repeating and so we offer excerpts from his talk here.

The Editors.

My remarks are directed particularly to the students who have just finished the basic course. Having completed your study of "Progress and Poverty", you may be asking, "What do I do now?" I'm sure you've been aroused by your study and want to know more. I cannot think of a better suggestion than that you continue your work in the other courses offered by the school.

In these later classes, you'll have the highly pleasant experience of comparing other economists, both of today and yesterday, with Henry George.

This Summer the class I attended covered the opinions of such economists as Commons, Hazlitt, Soule and Keynes

Commons has the distinction of not having offered any new thoughts in political economy but of analyzing and criticizing others' opinions. Ideas should always be open to criticism and evaluation. They should be able to withstand any examination.

Hazlitt and Soule disagree with each other quite strenuously, although Hazlitt is in agreement with George on some points. Soule is in conflict with him.

Keynes' idea of government spending to maintain maximum employment may be used, and some believe it will not clash with the Henry George concepts.

In studying these modern economists, I developed the opinion that none of them has found the answers to our problems. They will not find them until they accept wholeheartedly the teachings of Henry George.

From all this study and discussion, I believe our class learned that, with the economists in conflict over basic concepts in economics, we, who believe in Henry George's teachings, have a long way to go before we may bring his thoughts to enough people to be effective.

We must study and grow to be prepared so that we may talk to anyone about Henry George. We must have more than enough information at hand to present our case. We must never forget that to spread any idea one must know that idea, not only in a general way, but well and in detail. It can then be presented so clearly there will be no misunderstanding.

The more we study about the philosophy of Henry George, the better fitted we shall be to give this information to others. In giving this knowledge to others, we are rendering a service to them. At the same time, we can enjoy the society of our classmates. They too, are interested in gaining that knowledge, not only for themselves, but to pass on to others. So in helping others, we are also deriving pleasure.

We receive instruction from the finest teaching staff that I've ever had the privilege to meet and to study under. They give their time willingly, without compensation, because they believe in the work they are doing. We should all be thankful for this unique opportunity to receive and to give.

### **War of the tariffs Continued from Page 3**

in favor of protection is that this country would be flooded with foreign goods, but no country is going to keep sending goods to us, without expecting goods in return, which we would have to manufacture. If they did, we could enjoy the benefits of modern life at the expense of some other country, which is obviously false. In fact, tariffs actually throw people out of work rather than the other way around. The workers on road, air, rail, and ship transportation are out of jobs because of the reduced flow of goods, as the manufacturers of transport equipment, the importers and exporters and the multitude who make their living from foreign trade. So from the point of view of the workingman, tariffs are bad.

How about the manufacturer? He can raise prices so it would appear he benefits, but in the long run he loses, as foreign countries do not have the money to buy his goods due to tariffs preventing them selling in this country.

The Government benefits from the taxes. Anyone who has seen the multitude of Customs Collectors, and adding to them the Coast Guard and other agencies, would wonder. There are many ways in which the Government can raise money more easily.

Looking at it objectively, no one benefits. Why are tariffs so popular? Because lobby groups of manufacturers with lots of money, take a short-sighted view of quick profits.

The only difference between a blockade and tariff is that, in time of war the enemy does to us by force, that which we do to ourselves in time of peace, by law.

# HENRY GEORGE TREE



\*\*\*\*\*  
The above is a white oak bearing the name  
plate of Henry George. The tree was dedicated  
to his memory in 1946 and is located in  
Central Park, New York City.  
\*\*\*\*\*

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