

Twenty-fifth AnniversaryOPEN THE IMMIGRATION GATES

All men of good will in America must have felt a glow of satisfaction at the sight of the Hungarian refugees entering the country. But how much better would all of us feel if we tore down the immigration barriers and let all the poor, the oppressed and the homeless come in.

After all the earth is the free gift of God to all mankind, and as all mankind are His children, they have as much right to come to this portion of the earth as to any other. It is not reserved exclusively for us, the descendants of other poor, oppressed, and homeless who came here seeking the opportunity to use their talents.

We, today, are much like the early comers to a party who fearing there will not be enough to go around if the rest of the invitees arrive, lock the door preventing the others from entering, tho the host had given them equally good invitation.

The economic basis of our immigration law is the discredited wages-and theory - that there is only so much capital available to be distributed among the laborers--ergo, the more laborers, the smaller the share each will receive. But the more people who work the larger the production pie to be divided, and doubling the number of workers does not merely double production but may increase it ten or twenty-fold.

While all of us recognize that there will be greater production with larger numbers of workers, yet we have been led to adopt immigration laws because of the maldistribution of wealth we produce. Aware of the obvious fact that we are working and working hard, and at the same time getting only small share of our production, it is easy for us to fall into the error of assuring there are too many workers competing for jobs. Cut down the competition, cut down the supply of laborers, and the price of laborers, their wages, will rise. So it is no wonder that labor unions are the most violent defenders of immigration laws.

If, however, instead of jumping to that easy conclusion, we questioned closely why we are not getting all we produce, possibly we would arrive at different answers.

With land private property, a large portion of what we produce goes to the owners of the land in the form of econ-

omic rent. As economic rent actually is the price a man pays to the rest of us for the right we give up of using a certain portion of the earth in his favor, it should come to all of us. This together with the wages we earn will more nearly give us a just distribution of our production.

But, of course, with land private property large areas of land are held out of use with the consequent result that the opportunities to use our talents are reduced. Even America with its large area of land, is thus artificially put in the position of a country with only a small land area. We are in a ram-wade jail, whose walls are made of laws and customs which we have not the wit to abolish. Rather, we try to prevent the overcrowding of our jail by all types of rules and regulations--closed shops, licensed professions, immigration laws.

Justice demands that we accede to the peoples of the world the same opportunity to come here that our fathers enjoyed. Justice also demands that we have the same opportunity to use the land in America that our fathers had before it was all pre-empted. Therefore, not only should the immigration laws be abolished but at the same time the laws preventing equality of access to the land for all of us.

Such a program of action can only come about after correct understanding has been attained. If the questions which have been raised by the Hungarian refugees coming here, leads to analysis of our immigration laws, possibly a step forward in the right direction will have been taken. No one knows what takes men open their eyes to the mistakes they make. Let us hope this simple act of charity will help us to understand, and then act.

Oscar B. Johannsen.

CHILD POLITICAL DISCUSSION GROUP

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"UNTO HIM THAT HATH"

Having a little with no expectation of getting more breeds contentment. Having a little with the expectation of getting more breeds discontent. This seemingly anomalous human quirk accounts for the turmoil in the world today.

Before the invention of the machine, both the men who worked from sun to sun and the women whose work was never done were happy in their business even though their ceaseless efforts gave them little more than bare subsistence. They were blissfully ignorant of the possibility of ever getting any more.

The invention of the machine brought about a change. That exemplification of endless toil for a mere existence, "The man with the Hoe", has virtually disappeared from the scene, not only among us, but with an accelerating pace throughout the world. The meek acceptance of "wantlessness" has given way to "anything you can have I can have too." People everywhere know that the machine can provide material abundance, the taste of it that they have already had has whetted their appetite for more. We may be sure that they will satisfy their hunger somehow.

The "somehow" shapes up in two ways; welfareism and communism. The welfareists sneak in through the back door. The communists march up to the front door and kick it in. Their objectives are the same. We too. Any why not? But, there should and must be a better way to satisfy the craving of their discontent.

Five and Ten Cent Stores charge off a fixed percentage against pilferage. If it goes beyond that fixed amount they close up. With a productive economy, such as ours, welfareism can be likened to the pilferage in the five and dimes; and if held within limits be absorbed. But, whereas, the store has fixed limits there can be no such thing with welfareism. Who is going to decide what are the limits to welfareism? Certainly not the beneficiaries whose numbers are increasing geometrically. Eventually the sky becomes the limit but before that altitude is reached, fascism will take over. A last attempt to have and to hold by them that are in an advantageous position.

The farmer is already enmeshed. The small businessman is in line to be subsidized. The "break even point", of big business is tender. Why should not it get the breaks while it is still even? From state control of production to state ownership of production is but to resolve an anomaly; and we will call it socialism. Communist, never, that is a "dirty word". But by whatever name, the next it will be just as foul.

Socialism will provide all the fixings. If we "shew to the line" we will be in line for welfare coming and going; "round to tomb." But who will pick up the chips? We will. "Something for nothing is always

paid for". Whether we get what we need or like that we get; pay we must from what we produce.

Oh-long may it wave over the land of the -oops. Anyway, we will still believe that we are free. All will have been brought about by democratic processes. We the people by our votes or what is equally effective our lack of them - "have, voting we would never consent, - consented." "Even that which he hath shall be taken away." It behooves us to make better use of our talents."

John J. Devoe

JOHN J. HOENIG

is a member of the Board of Trustees of the J.J. Henry George School; and has served in this capacity since the founding of the School. He is one of the original group who was sparked to action by Dr. Doven and Mr. Insby. He participated in all the School's first activities and development, served as Treasurer since 1941.

Before the present apparent millennium arrived via deficit financing, inflation etc., with its sporadic affects, he taught large classes composed of people with lively interest in economics.

Mr. Hoenig has always lived in Newark. He is an alumnus of New York University, receiving the degree B.C.S. in 1915. After serving in the first world war, he returned to accounting and is today a partner, with his brother, in the firm Hoenig and Hoenig.

He is a member and past Treasurer of the New Jersey Society of Certified Public Accountants. He is also a member of the American Institute of Accountants. Internationally speaking, he is a Past Master of Philadelphia Masonic Lodge, 112 of Newark.

Mr. Hoenig's wife, Jennie, is very interested in Red Cross work, and has served in various capacities. They have a daughter, Ina, who is now married; and a son, Richard, who attended the University of Missouri, and served in the Second World War. He is now a reporter for the Associated Press in Harrisburg.

We regret very much that our Trustee is at present hospitalized; and join with his many friends in wishing him a fast recovery to good health.

Virginia Harvey

IT IS WITH REGRET THAT
THE BOARD OF TRUSTEES OF THE
J.J. HENRY GEORGE SCHOOL
HAS ANNOUNCED THAT MR. HOENIG
DIED ON JANUARY 15th 1957.

NEW TRUSTEES

Mrs. Marguerite Thompson, because of pressure of duties, resigned from board. Oscar B. Johansen and Mrs. Virginia Harvey were elected Trustees.

Money that elusive Pimpernel of economic science is on everyone's lips, but just as everyone talked about the Scarlet Pimpernel, yet no one knew who he was, so everyone talks about money but nobody seems to know what it is.

John Locke said: "Money is some lasting thing which men might keep without spoiling and that by mutual consent men would take in exchange for the truly useful but perishable supports of life.

Henry George said: "Whatever in any time and place is used as the common medium of exchange is money in that time and place."

Dr. Ludwig von Mises said: "Money is nothing but a medium of exchange and it completely fulfills its function when the exchange of goods and services is carried on more easily with its help than would be possible by means barter."

Paul Einzig said: "This (money) is some object which is accepted in return for goods or services, not for direct consumption by its recipient, but because he expects to be able to obtain for it the goods or services he requires. Frequently it is an object which is so widely accepted for direct consumption that anyone not requiring it for that purpose is safe in accepting it, in the certain knowledge that he will have no difficulty in passing it on. In so far as money developed from barter, the favorite medium of barter preceded the medium of exchange." (Primitive Money)

While the layman could accept blindly any of the above definitions, it is a question how useful such a choice would be without some background. Possibly an analysis of the origin of money, the things used as money, and the most common characteristics of some of the various moneys used might enable us to acquire a better understanding of this amazing tool of man.

Recorded history tells us money existed in ancient civilizations, but does not give too many clues as to why or how money actually originated. Historians and economists have had to resort to reason to answer these questions.

Apparently, somewhere in man's ascent, quite unconsciously, he discovered the importance and worth of the principle of division of labor. Possibly because of differences of climate or natural resources, men in one section of the country produced certain articles different from those developed in other sections. People in the valleys grew crops, while men at the seashore caught fish. No doubt, when primitive tribes met peacefully they exchanged gifts, giving to each other the things the other did not produce.

This exchange of gifts gradually turned into the simple exchange of one article of wealth for another on a purely impersonal basis, dictated solely by the desire to obtain something which someone else possessed. In other words, direct barter was practiced. The farmer exchanged his crops for the fish of the fisherman. The principle of division of labor, and its necessary corollary - exchange - were in effect.

But direct barter proved cumbersome, so if a farmer did not find a fisherman who would trade, he might find it wise to barter his crops for fish hooks. Then he could barter the fish hooks for the fish he really wanted. Thus the concept of indirect barter arose. In time, man became aware of the fact that certain goods were usually desired by everyone. Naturally, he then tended to barter his product for these goods.

Down thru the ages different articles were so used. They were always desired first for their own capability to satisfy some direct desire of man's, then for indirect barter. It was natural, then, as this article began to become desired more and more for its ability to be exchanged so easily, that the article tended to be one of a high degree of durability. Obviously, perishable commodities were not suitable if they were not going to be used by the holder. It developed that diamonds and rubies became the common means of indirect barter. Metals are durable, some of them lasting centuries; they are useful as ornaments and tools. Eventually, man narrowed the metals down to either gold or silver, and today gold is for all practical purposes the universal means of indirect barter, and for good reasons. It has a distinctive color, is durable, lasting thousands of years, is difficult to find, is limited in supply, is easily divisible into smaller quantities or weights, is beautiful and therefore useful as ornaments, and has many other uses which make it very desirable as a commodity. Silver also has most of these qualities, though possibly many more metals have a silver sheen than a gold sheen, so for purposes of identification, it is not as good as gold, but its main defect (or advantage) is that of being in much more plentiful supply. This has tended to make it less valuable than gold in the eyes of men at most periods of time and in most places. Today, in most parts of the world, this is a defect, though at other times and places as in China it probably was an advantage.

Certain facts should be noted from the above. First, the development of the exchange of goods, and direct and indirect barter were spontaneous developments. Man developed these things quite unconsciously. When he exchanged gifts, he had no idea he was initiating a practice which would result in the general application of division of labor, and the exchange of goods--direct barter and indirect barter.

Second: The use of indirect barter is still barter. The article used is a medium of exchange whose purpose is to facilitate the exchange of an article one has for an article one has a greater desire for. But in doing so, one barter his commodity for money, and then barter money for the desired article. But note the money used is an article of wealth, so the entire transaction is one of barter.

Third: No men set down to develop money, nor did they determine what would be the best form of money. The people developed that without realizing what they were doing. They did it by following natural laws. They just used their common sense, and by so doing they developed the best means of indirect barter or money, by themselves for our era-gold.

What definition of money might be arrived from this discussion?

First: Money is an article of wealth. This means it is desired for its own ability to satisfy human desires. If it does not have this quality, it is, of course, not wealth, and so would not be used as money.

Second: It is also an article desired by most everyone as a means of indirect barter.

Third: At a particular time and place it is the commonly used article for indirect barter.

Fourth: It has a relatively high value in the eyes of the people in that locality compared to other products.

From the above, this writer has arrived at the following definition:

Money is an article of wealth which is commonly used at a particular time and place as a medium of exchange.

It will be noted that not all of the points listed above are in the definition. To do so would make it too cumbersome and would probably be unnecessary.

Also, it will be noted that paper money is not money under this definition. While the paper is an article of wealth, it has practically no value. Actually, the paper is merely something on which to record some words. It is analogous to a receipt, and actually may be called a money-substitute.

Also, it will be noted that "check-book money" or "deposit-money", that is, "money" created by banks out of nothing, based on fractional reserves held at our central banking system--is not money according to this definition. "Deposit-money" is another "money-substitute". (It is hoped this whole problem of "money substitutes" may be discussed at some subsequent time.)

As money is so important in a society as ours, a sound concept of it is necessary. The above is an attempt to arrive at one. Possibly some of the readers have other ideas. Such views will be welcome and this writer will gladly change his to a better one. Criticisms and suggestions are in order.

Oscar B. Johansen

SALT OF THE EARTH

You can get a government bulletin on almost every subject except curbing government expenditures.

A government bureau often turns out to be a group of people organized to keep the taxpayers worried.

The average man knows as much about the atomic bomb as he does about his income tax form.

Dilemmation: Economist -- Somebody who tells you what to do with your money after you've done something else with it.

Opportunist -- A man, who finding himself in hot water, decides to take a bath.

Diplomat: A person who can be disarming even if his country isn't.

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Twenty-fifth Anniversary

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