

An end to monopoly — in government, banking, land, patents, mergers, trade unions, medicine.

Rational, humane laws. Prisons abolished; replaced by fines, with psychiatric treatment if necessary.

Can Capitalism Survive?

TIME-July 14, 1975

(Department of Clotted Nonsense-for a Purpose)

Assess full ground rent, without exception, for ethical revenue source, low improvement taxes, an end to speculation. Choice of sites at true rental value will ensure a surplus of safe employment, at wages equal to one's production.

Government restitution for official or private injuries. Polygraph tests to be accepted as evidence.

This ten-page jumble of assorted facts and fancies, while historically interesting, is contradictory and misleading. It expounds the virtues of private enterprise, in giving free rein to self-expression and economic development, while "most of the potential solutions involve an increased role for government regulations and control of income." (The article fails to state that all major industry is monopolized, greatly cramping individual initiative and free speech in the major media, keeping the basic wage below the subsistence level, with constant massive unemployment, unnecessary sickness and injuries, inadequate medical and dental care, ever more poisoned, less nutritious foods, an ever greater waste of resources and more poisoned environment, ever more massive white collar crime, in monopoly business and government, with consequently greater street crime and danger to persons and property—which we propose to curb with more prisons and more vicious legislative, judicial, police and prison treatment for street criminals—the end product of white collar crime.)

(Ortega y Gasset: I have never seen, nor could I conceive of a society which was not capitalistic." The production process consists of applying one's labor (all human exertion having exchange value—paid for in wages) to a natural resource (called land—paid for in ground rent), and pushing it through various stages of incompleteness (called capital—paid for in wages), until it comes to the hands of the consumer (where it is called wealth). A service, such as entertainment, is not tangible, but is wealth "consumed" on the spot, and governed by the same laws. Money—mostly credit—is neither wealth nor capital, but is a claim on capital goods in the market place, and should be created only as these goods become available, so as to maintain a constant balance. Credit issued on some other basis should be borrowed from that already created. There is no net economic return to credit, only a payment for insurance and handling—wages. Any excess is a return to monopoly. Wm. Pitt and Alexander Hamilton accepted the current view, that a sinking fund could be set up, such that the interest on it would eventually pay off the national debt. It didn't work. If there were a net return to an inanimate object, a sinking fund could eventually reach a sum such that the interest on it would do all the world's work. Using "capital" to mean credit or employers, "capitalist" to mean private enterprise or an employer, and "labor" to mean employees inhibits scientific discussion. Henry George cut through the confusion: "the law which divides the produce between...the possessors of the two factors, natural substances and powers, and human exertion—which two factors (land and labor), by their union produce all wealth.")

Adam Smith, author of WEALTH OF NATIONS, favored the removal of restrictions upon trade. He stated that self-interest was the motivating productive force, and that interacting interests of producers and consumers would equitably supply our needs. The article assumes that self-interest, rather than favoritism, created monopoly, and that increased productivity resulted from monopoly (rather than from the steam engine, the discovery of oil and development of electricity. Monopoly, in fact, delays the use of numerous inventions, while retrogressing in the development of nuclear and countless other industrial pollutions, in converting electric urban and interurban rail lines to Diesels, or simply abandoning passenger service or entire lines; retrogressing to unemployment, crowded, noisy living and emotional instability.) Marx was right, in anticipating even greater concentrations of power, and resulting inability to keep the economy going, with concentrated income distribution, (but he attributed it to private enterprise, rather than to massive favoritism, which should all end. Keynes' idea, of deficit spending, to end a recession, or anyone else's idea of public works, tax reductions, rebates, arbitrary increases or decreases in the money supply, is simply a juggling process which may momentarily alleviate a situation, but solves nothing. Favoritism must end.)

5 % inflation and unemployment are said to be bearable. "Completely 'full' employment is impossible. ...government should be prepared to change fiscal-monetary policy in the early stages of a slump or boom." (A surplus of work opportunities would be made available through equal access to sites, brought down to their true rental value by the full assessment of ground rent. The choice would automatically establish wages of both employers and employees at the equivalent of their production. Natural monopolies-everything in limited supply-resources, utilities, rail and airlines, could be government operated, or leased on truly competitive bidding. "The multinational, as Moynihan says, 'is arguably the most creative institution of the 20th century.'" (It is the epitome of monopoly, the exploitation of virtual slaves, unregulated pollution, destruction of vast forests and the environment, and it can upset economies, currencies and governments, and escape taxation.) "Profits and other incentives are indispensable to any economic progress." (The incentive to produce is the receipt of the equivalent of one's production-one's true wage. A salary is a drawing account-somewhat less than what one produces, in the hope that what is left in the business, as a contingent wage, or "profit," will cover unforeseen costs. If not needed, the profit can be paid back as a supplemental wage. New developments pay for themselves, and their cost can be borrowed from public savings, in stocks and bonds. "Profit" has no true economic meaning, but could be applied to a return to monopoly, over and above what free competition would yield, and so, should not exist, except as a purely business terms-actually a margin of safety, or contingent wage.

Henry George's proposal: "Let us first decide what are the natural rights of man, and endeavor to secure them, before we propose either to beg or to pillage." We have a natural right to the inherent and community-created value reflected in ground rent, which should all be used to support public services, distributed over the local, state and federal community. We also have a natural right to keep the product of our labor, untaxed, so far as possible, but not the right to keep the labor product of others, through monopoly. It is legally possible for a relative handful to deprive much of mankind of access to the earth, for either residence or business. They could be made to walk the public sidewalks until they dropped dead. While this is not practicable, as landholders wish to live off their labor, what is obviously absurd should not be legally possible; nor should it be possible to deny anyone equal access to the earth, at any time. Only full assessment can make it uneconomic to hold land for speculation.) Another useless article, by Henry A. Grunwald, managing editor, in the same issue of TIME, rambles along, discussing equal rights to wealth and equal rights to opportunities, but evades the means of attaining them. "only the willingness to perform certain duties (work, learning, responsibility) can guarantee our rights." (That's sufficiently abstract.)

The Winter, 1975 issue of SCHISM contains articles culled from nonconformist sources, many concerning the power of the Rockefellers. A Radio Commentary, called FREEDOM TALK, by Melvin Munn, of LIFE LINE, Dallas, Nov. 7, 1974, tells of their membership in the Bilderberg group, linked with the European Round Table and our own Council on Foreign Relations, with plans for a one-world government, or central seat of power, controlled by super-powerful secret societies; plans developed too far to turn back. David and Nelson Rockefeller attended the secret 1974 meeting in Megeve, France. A top American newsman, last year Henry A. Grunwald, always attends these meetings. It was not reported. Carroll Quigley, long a part of these supersecret maneuverings, wrote a blockbuster, TRAGEDY and HOPE, exposing them. After sales began to build up, the book was withdrawn from the market. The basis for the powerful Eastern Establishment are the three major television networks, both major news wire services, TIME, Inc., the NEW YORK TIMES, Chase Manhattan Bank, Wall Street, Columbia University, New York University and the Ivy League colleges. Considering the interrelated support given to the conspiracy of exploitation, at home and abroad, it should be apparent that no branch of government will control itself, or adequately control any other branch on a vital issue, and that it is therefore up to the public to engage in organized cooperative insistence that it have direct constant access to information and control over decision making and operations. We should be able to have elected or appointed ignoramus or devils in any office of government, and have such direct public checks on them that they would be powerless to do any appreciable damage.