

restrict and finally abolish liberty, which is man's great birthright and the condition of his progress.

The slogan "ability to pay" has no moral justification. Any taxation system must first answer the questions: What is the moral basis of property ownership? What is inherently State property? What is inherently individual property?

If the State, i.e., the community, takes by force from the individual wealth to which it has no moral claim, then it is guilty of theft. Similarly and equally, if the individual takes from the community, even by the consent of legislation, wealth which is inherently a community property, then he is guilty of theft so long as even one member of the community objects.

The only basis of taxation which conforms to these moral considerations is one based upon the principle, "payment for benefits received." Upon this principle, a man will pay to the community the full annual value for any part of the public domain which he reserves for his own use or pleasure. By "man" is meant, of course, any private interest, in distinction from the community as a whole.

In the Philippines this term "man" would, I am convinced, mean principally the Roman Catholic Church and the other great landowners, who hold land either of great value or great acreage.

The Report represents much work and in some details may be of incidental utility. It is orthodox and will be adopted. It is foredoomed to failure to produce any better results than the other economies in the world to-day, because, like them, it ignores "R," and in the other respects mentioned it is not built upon the foundation of morality and justice.

W. H.

POSTAL CENSORSHIP AGAIN

From the London *Evening Standard*, September 24th.

The decision to empower officials to open letters and parcels in the overseas mail suspected of containing valuables constitutes a disgraceful invasion of privacy.

The Treasury say that they will use fluorescent screens and X-rays to assist their experts to pick out suspicious letters. But the use of this equipment does not alter the fact that the letters will be opened. The Treasury say that messages in letters containing money will not be read. Yet, in the same breath, they declare that it is possible that the Customs will retain such messages if they want to use them as evidence against the person sending money.

The fact is that whatever the Treasury may say, letters will be opened and, once opened, will be liable to be read. Intimate and confidential letters may be perused by a Post Office sorter or a Customs official, or some other Paul Pry designated to the task. The reader may thus be given access to knowledge which he could use to the disadvantage of the writer of the letter.

What guarantee can be given that information will not be extracted from a letter and passed up to the politicians who authorised this ominous step?

At present the snoop is confined to foreign mails, whether incoming or outgoing. But if the British public accept this fresh extension of State power in peace-time, they may be soon confronted with the same censorship applied to domestic mails.

This latest infringement of individual liberty brings the country a long way further down the road to a police state.

Two months were spent in training Post Office staff and in research into the legal position, before the Treasury announced their new drive to trap currency evaders by "censoring" letters for abroad after next week.

"We will rely mainly on sorters," said a Post Office official. "They become expert, after practice, in selecting dubious letters or parcels for inspection by Customs officers. We shall gradually increase the percentage of mail to be examined."

WHY THIS CHAOS?

By Major J. F. C. FULLER

TO-DAY we are worse off than at any former period in our history. We are rationed, controlled, and bankrupt. Solely to blame this on the war is nonsense, because in the past we have fought many great wars, and after no one of them have such dire conditions prevailed. Nevertheless, had there been no war we should not be in our present parlous state. What, then, is the answer?

The answer is not so much the war as the way we waged it. We did something we had never done before: we fought it to the point of annihilation. We annihilated our enemy. . . .

What was the problem which, in September, 1939, our war policy should have set out to solve? It was to eliminate what to us was the fundamental cause of the war with the least possible injury to our security and prosperity.

What was this cause? Was it Hitlerism in the sense of "the evil thing" as proclaimed by Mr. Chamberlain, or was it "to save the whole world from the pestilence of Nazi tyranny" as announced by Mr. Churchill? No! We are not a nation of parsons or of anathematising priests; we are a nation of hard-headed business men and traders. We went to war because Hitler set out to establish an economic hegemony over Europe. It was his "New Order" which threatened our existence as a great trading nation and not his politics. . . .

In the commercial, financial, and technical age in which we live, the leaders of the nations do not quarrel over spooks, however horrific they may be; they quarrel over trade, markets, tariffs, and the power which wealth carries with it. Though this may be highly immoral, it is actual and real, therefore, it is useless kicking against the pricks. Our world is not a dreamland, it is a world of violent facts.

Because we were determined to maintain our old order, in 1939 the problem our war policy should have set out to solve was how to compel or persuade Hitler to abandon his New Order, and not to wage an ideological crusade against his political ideas, if only because ideas are impervious to bullets. Yet we set out to shoot ideas, and the consequence was that it inevitably led to shooting the people who held them—some eighty-odd millions in all. Hence a war of annihilation, in which Germany politically and economically, was destroyed.

What our leaders failed to see was that, though Germany as a trade competitor was a challenge to us, Germany was also our most substantial European market, and were we to lose it a grievous blow would be struck at our prosperity.

As disastrous, they failed to see that if politically Germany were destroyed, the balance of power in Europe must inevitably pass to Russia, because the annihilation of Germany would leave Russia the most powerful nation on the Continent.

At Casablanca, the disastrous policy of unconditional surrender decided upon by President Roosevelt and Mr. Churchill, and at the very moment when German morale was beginning to crack up, gave Hitlerism a new lease of life, because it rallied to the Swastika the millions of by then disillusioned Germans. At Teheran, Poland, the publicised cause of the war, was thrown to the wolves, and at Yalta the greater part of Europe east of the line Lübeck-Trieste was handed over to Russia. What logic

is there in complaining now that Russia is on the grab—her foreign policy was not unknown.

Was this suicidal folly inevitable? It was not! Killing Germans was not the problem, instead it was to divide them, because a house divided against itself cannot for long stand. And the means was political warfare astutely waged under cover of military warfare.

We knew that a considerable minority within Germany was opposed to Hitler—the Gestapo and the concentration camps told us that. Therefore, from the start of the war we should have offered salvation to Germany as well as damnation to National Socialism, and by doing so have recruited our victorious army *within* Germany.

Had we done so, there can be little doubt that the revolt of the German generals in July, 1944, would have been successful, as it nearly was and without our aid. And had it been successful *National Socialism would have been destroyed by the will of the German people*—the only instrument which could utterly destroy it—and, be it noted, at a time when the Russians were still east of Warsaw. This might even have happened a year earlier when Mussolini fell.

Yet to blame President Roosevelt and Mr. Churchill for all our present troubles would be grossly unfair, because throughout the war these two leaders were cheered along their suicidal way by the vast masses of their respective peoples.

Thus it has come about that the chaos we are now in is largely of our own making. We called the tune; we danced our macabre jig, and now we have got to pay the piper.

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WHERE TO—AMERICA?

JUDGE MAX M. KORSHAK, of the Chicago Bar, has written a remarkable book, produced in a remarkably attractive and challenging style. No more conclusive exposure of all that has been done and proposed in the name of the "New Deal" is extant. The "planners" and their folly as well as their wicked condonation of the land monopoly and of repressive taxation, the basic causes of industrial distress and evil social conditions, are rightly put to shame. In particular Henry Wallace and his book, *Sixty Million Jobs*, comes under review and with Wallace as his whipping boy, the author severely castigates all who like him propound policies which say that "the free market shall be replaced by bureaucratic control of production, distribution and prices; that free bargaining between labour and capital shall be replaced by national regulation of both; that freedom of agriculture to produce and to sell shall be replaced by national directives issued by the Department of Agriculture; that free enterprise shall be replaced by a species of national socialism; that the freedom and independence of the individual citizen shall be sacrificed whenever it is considered necessary in order to increase the powers of administrative agencies of the Government."

These arguments are demolished and *Where To—America* leads the reader to the exposition of the alternative, the *FREE ECONOMIC SOCIETY*. It is illustrated by striking cartoons and other pictorial matter. "The Wallace plan," the author says, "is characteristic and similar to the various artificial respirants, restraints, taboos, prohibitions, hypodermic injections, pump priming

operations, and 'boot strap' regulations offered as remedies to a distraught nation over a long period of years. All such 'cures' have proven to be worse than the disease. They have violated the fundamental rights of man, and instead of creating prosperity have frequently hampered, bogged down, and even destroyed national commerce and trade. They have operated as plaster casts on our body politic and in a most unnatural way have stunted the growth of our nation."

"Our present society is not built upon a foundation of natural and fundamental justice. Changes should be made in our social structure but the changes should be directed to the *foundations* and not the *superstructure*. We should treat *causes* not *effects*. The changes should deal with a proper system of land tenure which recognises man's proper relation to the earth from which he draws his sustenance.

"What the world needs to-day is leadership which will point out the true road to economic freedom and the promised land for all in a world of to-morrow. This road should be a common highway upon which both labour and capital can walk side by side, since they are partners—not foes—in the common enterprise of creating wealth for the benefit of the people.

"Both labour and management now find themselves, figuratively, between the jaws of a huge vice, the upper jaw of which is the myriad taxes and the lower jaw is ground rent, which obstructs and reduces production. Instead of dissipating their energies in bitter recrimination and struggles against each other, labour and management should unite against their common foe.

"Only as they unite can both labour and management share appropriately and proportionately in the sum total of wealth which *both* have created and which to-day is being shared with them by a third party who does not create any wealth but who only gives permission to use land—that which existed since the beginning of the world and which was intended for the use of all mankind.

"When that is done, there will be more jobs than men, whether there be sixty or one hundred million employables. The national income will be as many thousand millions as the combined energy of full employment with advanced technology can create. The optimistic and glowing goals in Henry Wallace's book will pale into insignificance beside the greater achievement obtained by labour and management when they receive a truly proportionate share of the wealth they create—a wealth freed from the burden of taxes of every kind, while the share of the wealth which now supports land speculation will be used for the payment of federal, state and municipal and community expenses."

Where To—America? is in quarto format, 48 pp., set in large and readable type. It is a real broadside, fully deserving the commendation of Ralph Borsodi, who, in his foreword, says, "Every American should read this book." It is published price \$1 by Bayard Lane, Inc., Suffern, N.Y.

1s. 6d. Set of LECTURES AND ADDRESSES, by Henry George. Single copies 3d. each, viz.: THE CRIME OF POVERTY; MOSES; SCOTLAND AND SCOTSMEN; THOU SHALT NOT STEAL; THY KINGDOM COME. At 2d. each, viz.: JUSTICE THE OBJECT, TAXATION THE MEANS; LAND AND TAXATION; THE LAND FOR THE PEOPLE; THE STUDY OF POLITICAL ECONOMY.

3d. THE NEW POLITICAL ECONOMY. By John B. Sharpe.

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