

ing from a similar bereavement, are already familiar to you: "Come with me; there are in England women and children dying of hunger, of hunger made by laws. Come with me, and we will not rest till we have repealed those laws."

As you know, only in continuing your work for others can surcease of sorrow be found.

So closely have you knitted our hearts to yours that we feel stricken with you.

Address to the President

ON the 14th of October, 1931, Dr. Mark Millikin, of Hamilton, Ohio, heading the committee of ten selected by the Sixth Annual Convention of the Henry George Foundation, personally handed to President of the United States Hoover the subjoined address:

TO THE PRESIDENT:

The committee appointed from the Henry George Foundation of America, lately in session at Baltimore, desires to submit to you the following brief:

1. The land values of the United States are estimated to be from \$160,000,000 to \$200,000,000,000. This is a community value which has steadily increased with the population. It is a value that increases directly in proportion to social pressure. Where the population is dense, as in urban centers, the value of land sometimes is several millions of dollars per acre. In the wild, sparsely settled regions an acre of land may be worth only a few cents.

2. The annual rental value of this land at 5 per cent would be from \$8,000,000,000 to \$10,000,000,000. The average tax on land in our country is about 2 per cent. There is then at least 3 per cent of the annual rental from land going to private land owners as an unearned increment. It is therefore a conservative estimate to put the unearned increment at from \$5,000,000,000 to \$6,000,000,000 annually. This amount, we claim, is a dividend that should go to the community.

3. While we advocate taking the entire rental value of land to be applied to paying the cost of government, we do not come to you with such a radical suggestion. We feel that great reforms are made slowly, and that they are apt to be more permanent and acceptable if obtained gradually. Therefore we ask that you urge Congress to pass a bill levying a 1 per cent federal tax on the value of land in the United States. This would bring in an amount somewhere between \$1,600,000,000 and \$2,000,000,000. Some years ago the Keller Bill was introduced in Congress seeking similar legislation.

4. We believe that a tax on land values is *just*, inasmuch as it permits the community to take what it itself has made. As a corollary, we believe that the individual should be exempt from taxation on the products of his labor.

5. We believe that land should not be regarded as a commodity but as a great reservoir from which commodities are drawn by the aid of labor.

6. We direct attention to this fact: a tax levied on land according to its value makes land less desirable to hold for speculative purposes. The evils of land speculation in Florida are still fresh in memory. Even a tax as low as we suggest would in great measure lessen land speculation.

7. We hold that a land tax tends to throw land on the market, thus opening opportunities for the unemployed. While we are favorable to some temporary methods that have been proposed for relief of the unemployed, yet we regard them as more palliative than curative.

8. We oppose the generally accepted idea that taxes should be levied according to ability to pay. Business is not conducted on that principle. Only about 2 per cent of the annual \$90,000,000,000 turnover is based on an ability-to-pay plan. This comprises fees paid to the professions, lawyers, doctors and dentists. On the contrary, we advocate levying taxes according to a benefit-received plan. Of several

taxes levied on the benefit-received plan, none seem to be as good examples as the tax on land values. In that case the user is taxed for the benefit he enjoys in having exclusive use of a part of nature's reservoir.

9. We are favorable to a rugged individualism under conditions of freedom. Individualism is handicapped, first, by taxes levied on commerce; second, by a policy that makes access to land difficult. The conflict between communism and capitalism should be easily won by the latter if we adopt a land policy that has been advocated from the time of Moses to the present-day social philosophers.

10. We call attention to the fact that England has recently passed legislation levying a tax of a penny on the pound on land values.

11. A tax on land values cannot be shifted to industry. All economists agree on this. It is the easiest tax to collect—land cannot be hidden. It is not a "nuisance tax." It is the only tax that, while producing revenue, aids both production and consumption.

Henry George and the Teacher of Political Economy

ADDRESS BY PROF. BROADUS MITCHELL OF JOHNS HOPKINS UNIVERSITY AT THE BALTIMORE CONGRESS

THE academic method is to picture the universe photographically, with every detail automatically included. The philosophical free lance, on the other hand, is apt to use selection; he decides, after longer or shorter scrutiny, which masses in the picture are important, and which should be sunk into mere contributory shadings.

Perhaps it is true in the physical sciences that every fact is pertinent and not to be neglected, for, given insight enough, the whole may be derived from any of the intermeshed parts. But in the social sciences, where there is a multitude of variables, this is hardly the case. Here, paradoxically, the true picture may be the inexact one. Choice, relative emphasis, are necessary. A Greek column, if it is to appear to have a given girth, must have a greater girth, or entasis.

In the social sciences it is imperative that we should not be obsessed by detail. We should be aware of detail, but at the same time be capable of treating the material freely. It is altogether right to drag the ponds, but we should know the difference, in the catch, between a fish and a newt.

Now, I think we academic people are not very good, taken as a group, at these judgments. We feel ourselves bound by a scientific technique, and sometimes forget that to inspection must be added discrimination. The non-academic observer, by whatever method, usually arrives at his thesis sooner than we do. (I speak here of the serious student, and not of the mere catch-as-catch-can commentator, whose conclusion, half the time, neither he nor anyone else could defend.) Perhaps I do the academicians an injustice by taking them as they come, and thinking of "outsiders" as represented by a few brilliant individuals.

However that may be, I venture the suggestion that, in the social sciences the cause of truth is set further for-

ward by a succession of bold generalizations rather than by mere continuing circumspection.

With this dry preface, I want to talk a little about Henry George and the teacher of political economy. We should delight to celebrate him in classroom instruction and in textbooks for a number of reasons, which, were it not for the certain fact that they have been largely overlooked, I would not think it necessary to mention.

1. *The personality of the man.* It is strange that in economics, in which human actions are inextricably tied up with physical forces, we have, in academic accounts, so largely deleted the personal characteristics of the great figures in the development of the science. In our striving to adopt quantitative methods we have forgotten to what extent our material is subjective. It is true that circumstances make the man, but it is also true that the man so made may bring others to look upon circumstances as he does, and so mold human institutions.

But quite aside from that, nothing so lights up a dry economic analysis as the biography of a person who thought about the same things to good purpose. I would engage to teach political economy entirely through biography, if I were allowed to interpret biography somewhat broadly. Nobody can read the life of Henry George without wishing to have known him. It is a simple story, revealing honesty, courage, affection, loyalty, a keen delight in high adventure. Like the narrative of Joseph, it contains elements which appeal to everyone—modest beginnings which led on to distinction; hardships borne with fortitude; the determination to conquer fate; the eternal nourishing of a living idea directed to the help of mankind. (Far removal from the place of birth had everything to do with the contribution of both Joseph and Henry George, and the names of both are linked, as it happens, with the business cycle.) The life stories of Smith, Malthus, Ricardo, even Mill, are relieving rather than gripping. Robert Owen, Karl Marx, and of the lesser men, Charles Kingsley and Richard Oastler we come much closer to, but all of these were Europeans and moved in an environment which is our intellectual not our physical heritage. Henry George was of our American economic flesh and blood. I think there can be no doubt that if America were invited to propose one name for an international hall of fame devoted to economists, Henry George must be selected. And yet our students, it has been my experience, know of Henry George the man in the vaguest possible way, confusing him with a British Liberal leader and with an experiment in self-government among delinquent boys.

2. *The dignity and beauty of his writings.* One hardly looks to economists for elegance of literary style. Our economic viands have little flavoring. There is about Adam Smith's writings a bland quality of Indian summer, but something of the haze also. Marx, in his turn, gives the impression of an electrical storm, the whole atmosphere surcharged, black clouds contrasting with vivid flashes of

lightning. I cannot think of Ricardo's style without comparing it with concentrated beef extract cubes; you must make your own dilution. John Stuart Mill has received too much praise for his elaborate simplicity. Let us be charitable and say that the German turgidness proceeds from syntax. The French writers may do better. De Quincey could not drug his style if he tried, but he was economist only by avocation. Bagehot and Cairnes were exceptions that prove the rule. Of recent text writers the less said the better.

How glad, then, should the student be to meet with the works of Henry George! He wrote with a golden pen in more senses than one. His long newspaper training had much to do with the naturalness and clarity of his style, but back of it was the mental habit of reducing the complex to the elemental. A performer on a musical instrument may be well trained and correct and yet not get a singing quality into his rendition. The same is true of writing. Henry George's paragraphs are scenes in a play; his books are unified dramas. His prose is not simply a means to an end, but an end in itself, a conscious work of art. His writings may be used, ought to be, in the teaching of English composition, let alone economics. Who else, with his family in want and he unable to find paying employment, would set himself to practice writing? Back of the ease and poise which we find in George's pages lurks a deal of resolution. And yet, when all is said, there is no explanation for such literary excellence. It sometimes happens. It did in his case.

3. *The tidiness of the doctrine.* Henry George presents no mish-mash, but a theory which is clean-cut. His metal is found in the free state, not in conglomerate ore. His mind has leached out extraneous substances. If only as a matter of academic exercise (and it is of this that I am now speaking), it is desirable to have students grasp generalizations. I do not mean to learn to repeat formulas, or to apply them. I refer instead to the reasoning process. And not only beginning students, but more advanced ones, often are denied or deny themselves this first requisite and chief compensation of college and university residence.

Anyone capable of freeing himself from social preconceptions a little bit, and able to put two and two together, cannot help grasping the point that Henry George makes. And, like swimming or riding a bicycle, once learned, you cannot forget it. Most economic conclusions have ifs, ands and buts attached to them, and so, for the best of reasons, are difficult to teach. The conclusion of Henry George, taken for itself, is bright and complete, without reservation. It recommends itself, therefore, as affording an unforgettable experience to the student mind.

4. *The practical importance of the proposal.* In all that I am saying to you I am, I know, carrying coals to Newcastle. And under the head of the social significance of the Single Tax I am most unnecessarily freighted. I speak now of the positive issue of the doctrine in the absorption

of land values to the public treasury. Unless the student of economics appreciates the entire propriety of taking economic rent in taxes, he will be unable to understand what I fancy will be some early moves of legislators. That thing, soon or late, suddenly or gradually, is bound to come. Teach this to the student as a derivative of natural law, as Biblical exegesis, as economic logic, as a dodge of practical administrative necessity, or let him take it as the vagary of a crazy instructor who has thought too much and had too little to eat—I care not what the method, it is a part of our responsibility to implant this idea, to forecast this event.

But, I hear myself warned, be cautious! Those who are in a position to influence immature minds should take care to present both sides of such a disputed question, or prejudice and not truth will be served. This in the present case is an unnecessary caveat. All that the student meets in daily experience, hears at home, reads in books and newspapers, plans for his own future, presupposes the sacredness of private property in natural resources. Private possession of land needs no spokesmen where there are so many practitioners. I do not wish to work myself up to a deliverance here, but I must say I am heartily weary of the eternal admonitions which pervade the teaching process: "Go slow," "Keep to the middle of the road," "Watch your step." The ditch-digger, if it preserves his intellectual self-respect, may be cautious in thought and speech, but the person supposed to be equipped to influence the opinions of others cannot afford this luxury! Procrastination is the thief of time, and often our academic circumspection warrants no better name. It is too frequently fearful delay for the sake of delay. Meanwhile the world marches. We are constantly, therefore, bringing up the rear. Our position at the tail end of the column need not be so bad were it not for the fact that oftener than not in our timidity we fall in behind the wrong column. We generally choose, to be honored with our presence, the biggest body of troops, which flies the national flag and sings the national anthem. Meantime, off to the left somewhere, a small detachment moves to take the fort.

Am I too hard on the academic company? I do not believe so. The study of society is not a chess game for mental exercise. Those who enjoy the privilege have a duty, I think, to use their talents, large or small, to ease the social process, to make human life more enjoyable. This sounds like preaching for the good reason that it is preaching. I stand accused, but before I am condemned let me ask what academic economist has proposed a social solution—courageous, imaginative, serious—to match some which have come from without the cloister? While we accredited ones untie some knots and tie others, how many strands do we spin to enter into the web of social thought? I am afraid my metaphors are getting mixed. Let me mix them further by reverting to the story of Joseph. We academic people look up with the rest and cry, "Behold! this dreamer cometh," and straightway set ourselves to dig a pit for him.

Students should be told about the social heresies and heretics. We know the names of the accused before courts of inquisition. Who remembers the judges? The conformist, if he is intolerant, deserves his oblivion. Henry George always coveted academic recognition. That he did not get it, has not gotten it, has been to our hurt, not his.

To leave the treble and get back to the middle octaves, I would like to make a fifth point.

5. *The contrast between individualism and collectivism.* Every teacher of political economy must of necessity present this contrast to his pupils. It is the most revealing issue in economic theory and practice. Where else will the teacher find a greater faith—contrary, I am afraid, to the supposition of many—in the efficacy of individualism, once individualism is given a chance, than in the system of Henry George? And on this point, if you are at all interested, I must confess my own imperfect sympathy. Mine is a position, right or wrong, with which you are familiar in others. Henry George the man, the spirit, the intellectual force, I honor as much as you can. The positive proposal to recover economic rent for the community I accept as joyfully as you do. But that this one social act, unaccompanied and unfollowed by others, will set us economically free I do not believe. It may be that you Single Taxers, like Mary, have chosen the better part. Certainly we Socialists, like Martha, are anxious about many things.

You may be interested in some sample references to the proposal to take economic rent for the public benefit, as found in text books in use in America. I have attempted nothing beyond picking up the first few volumes upon which my eye has lighted, entirely without design. The books on my shelves are the common ones found in the working library of any teacher of economics.

A large text, of some 900 pages, which came out in the present year, does not mention the name of Henry George. The only reference to the Single Tax is contained in half a dozen lines. The author puts taxes on land rent, on inheritances, and even on excess profits, in the same bracket as imposts on unearned income. He speaks of "the so-called unearned increment of land values," and goes on to say: "The idea of supporting the government by taxing unearned income has many attractions. But there are almost insuperable administrative difficulties in determining who are receiving unearned incomes and how much of their incomes are unearned." I do not need to point out to you that this is muddy and shallow water.

The second book which I pick up is by a late professor in a leading American university. It has been out twenty years and has gone through three editions. It contains nearly 700 pages. Thirteen lines are devoted to what the author thinks is the thesis of "Progress and Poverty," after which it is said: "The argument by which he [Henry George] arrives at this gratifying conclusion is too elabo-

rate to reproduce in brief compass, and this is the less necessary because there is no evidence of the truth of the law for which he seeks an explanation and whose existence is vital to his whole contention. Poverty has undoubtedly persisted in spite of progress, but that it has increased with progress is directly contrary to the fact. Equally unwarranted is the assumption on which his conclusion rests that every improvement in productive power tends to increase rents. This could only be the case if the population of each country had an absolute rigid standard of living and responded to every improvement by multiplying until the margin of cultivation was lowered to a point at which wages were no higher than before. If such were the fact, no real progress for the mass of the people would be possible under any industrial system." He goes on to call Henry George's claims "extravagant and unwarranted," and to express the judgment that "The influence which 'Progress and Poverty' has exerted over its hundreds of thousands of readers has been due, not to the novelty or profundity of its argument, but to the sincere desire to benefit humanity which so clearly inspired the author in its composition. The plan should be considered in no meaner spirit, that is, with sole reference to its social utility." He concludes that "Among the objections that may be urged against the single tax three merit particular attention." These are: and "*single tax* is undesirable," because there is no necessary correspondence between the yield of the tax and the need for public revenue; "it would involve the wholesale confiscation of property; in practice it could be carried out only in such a crude and approximate way that it would lose many of the merits claimed for it." These objections are elaborated, and then some mild suggestions are made for changes in the land system. Such an interpretation reminds me of the performance of a wornout engine. Shoot as much live steam as you will into the cylinder, very little power is delivered, because the steam gets past the ill-fitting piston.

The third book on which my hand falls is one of 575 pages, on "Value and Distribution, a Critical and Constructive Study." It is a detailed discussion of doctrine by a prominent American economist. The very full index, composed entirely of names of economic writers, many of them of trifling importance, does not contain the name of Henry George. Reference to the Single Tax, so far as I can determine, is confined to a footnote occupying the better part of a page of fine type. The gist of it is as follows: "It is * * * clear enough that, if land values are subjected to a higher rate of tax than are other investments in productive instruments, a shifting of investment will take place as soon as and as far as the nature of the case leaves it possible. The only questions are as to how soon and how far this possibility can manifest itself. It is clear also that in fertility aspects the original environment is capable of exhaustion in full parallel with produced instru-

ments of production, and by the same method if upkeep is withheld. Practically all agricultural districts in New England testify to this fact; nothing about land is indestructible except its location. It is apparent, then, that the 'Single Taxers' have been grievously misled through an uncritical acceptance of the classical rent theory. They make shipwreck against the certainty that to subject the unearned increment to their tax programme is inevitably to drive this unearned increment out of existence, or, more accurately, to force its transfer into a non-land form of holding—to render food and raw materials dear through the diminution of the social equipment for the supply of these goods." It is allowed that as to location-values purely "there is no serious theoretical impossibility in the single tax program, if only the distinction between ground rent and improvement rent is faithfully observed." This neglects the fact, of course, that land values, of fertility or location, now pay a tax, which goes not to the state but to private owners, and that occupiers are additionally burdened with the support of government, government which is made more expensive because it must render all sorts of social services to non-producers. Converting rent into tax will not make the working or other use of land less profitable than at present, but more profitable.

The next volume, picked up as it chanced to lie on the shelf, is a brand new text for elementary students, its 469 pages written with great clearness and interest. But neither "single tax" nor "Henry George" appears in the index. In discussing the difference between land and capital the author says: "The payment of rent to individual landlords could be abolished without affecting in the slightest the amount of land available for production;" and "If

* * * the people of a country should decide to appropriate all land rent through a system of taxation there is no reason to suppose that the land would not continue to be used as in the past." I cannot turn quickly to the place, but I seem to recall in reading this volume that the author mentions an exclusive tax on economic rent, calling it an important proposal but one which he has not the space to treat.

The next volume is also a text, published four years ago and enjoying a good patronage. The author devotes twenty closely printed pages to a discussion of the Single Tax. Though he doubts whether a single tax on economic rent would suffice for the needs of government, he asserts that "The argument as presented is plausible, sound and attractive, and as such exceedingly exasperating to some economists who are violently opposed to public appropriation of economic rent, and in their efforts to discredit it they are often guilty of fallacious reasoning, petty quibbling, and even offensive personalities unworthy of a serious discussion." He then proceeds, after this very proper introduction, to do a deal of quibbling himself, though I should want to describe it as conscientious quibbling. His conclusion is: "In favor of public appropriation we have

the arguments that economic rent represents an unearned income, and that public appropriation of this unearned income would reduce inequality and mitigate poverty, reduce or abolish speculation in land and its attendant waste, encourage ownership of farms by the actual cultivators of the soil rather than by wealthy absentee landlords, and make it easier for the urban dweller to own his own home. Against public appropriation of economic rent we have weighty objections based upon the difficulty of distinguishing land from capital and rent from interest, wages and profits; the manifest injustice of confiscating existing land values, and the probability of further injustice when through difficulties of administration the wages, interest or profits of many persons would be confiscated in the guise of economic rent. * * * As a practical programme the single-tax programme would offer us an opportunity to exchange one set of evils for another, and possibly a greater set." However, he finishes, there may be "a grain of truth in the Single Taxers' lot of chaff." At the end of his winnowing process he finds that the arguments "are not particularly strong against appropriating some part of the future increase."

I shall not fatigue you with other citations. I believe from my acquaintance with general texts in economics that the treatments I have referred to are fairly typical. Bearing in mind the willingness of most text writers to accept present economic institutions with what may be truly called the minimum of faultfinding, I cannot but say that they strain at a gnat and swallow a camel.

A Challenge to Befuddlement

THE gray hairs of Prof. Charles A. Beard are entitled to respect. Therefore, what I say about his article, "A Five Year Plan for America," in the July issue of the *Forum and Century* is not personally disrespectful; but, as so aptly stated in the editorial foreword, "it is time to call a challenge to befuddlement and confusion of weak counsels," and Prof. Beard's article is a good place to start calling.

Prof. Beard has deftly technologized a deeply technological problem in a duly technological manner to delight technological connoisseurs of the darker technology. This much can honestly be said in commendation of his "Five Year Plan" article.

It is "Alice in Wonderland" without the fantasy. Without establishing a premise from which to start, the elaborate argument does not reach a conclusion. "Well! I have often seen a cat without a grin," thought Alice, "but a grin without a cat—!"

If the "Five Year Plan for America" had not originated in befuddlement, it would have first stated the problem that confronts us; then, second, stated the remedy or pointed the way out; then, third, shown the desirably different results thereby obtained. This is the requirement of logic, if not technical technology; but if it had

been attempted by the author, even a technologist would have seen the absurdity and the article could not be written except as a horse-play upon words. Perhaps it was not to be taken seriously but as a ponderous burlesque on "Gulliver's Travels," with a "pervading atmosphere of serious verisimilitude" (as is said of the more entertaining story of "Captain Kidd and the Astor Fortune" farther over in the same issue).

The article does not outline any problem which is to be met by the "Five Year Plan," nor does it show wherein the "Five Year Plan" would produce results essentially better or desirably different. The nearest Prof. Beard comes to stating a problem is on page 3, where he says: "Herein lies the problem: how to go forward along lines already made clear by the lamp of experience and engineering rationality." Note that he does not straightforwardly say "This is the problem," but says "Herein lies the problem," which is merely making a mess of the English language. Furthermore, there is no hint of our actual problem in the statement he points to—the words where he says the problem lies: "how to go forward along lines already made clear by the lamp of experience and engineering rationality." That is not a problem, because it is precisely what we are doing, going forward along lines already made more or less clear by the lamp of experience, each one of us by his own little lamp (which is the only one any of us can use), and according to whatever engineering rationality each of us may possess. The experience of any average human is in essentials the experience of every average human, therefore we are all going forward (or it may be backward) along approximately similar lines, with little variation between one and another. Engineering rationality is the variable factor, varying between individuals in surprising degree. Nevertheless, the degree of engineering rationality which each of us possesses is the engineering rationality which each must use in going forward along lines already made more or less clear by the lamp of his own experience, and the consequences of which use he must abide by. The alternative is to extinguish our lamp of experience and leave burning only the one in the hands of the president of a syndicate in Washington. We must put out our individual lamps, because otherwise we would continually murmur at the dimness of light from the lamp in Washington which we would be required to follow. Also, our individual engineering rationality should be excised by some major operation during infancy, otherwise disuse would render it a vestigial organ, such as some evolutionists say our vermiform appendix has become, and like said appendix would often cause us a severe pain in the abdomen from viewing the alleged rationalizations of the supreme engineering rationalizationist who is head of the syndicate in Washington.

There is nothing in Prof. Beard's statement that anyone but himself need consider as a problem. Correctly put, his statement should read: "This is my problem: how to make everybody see by the lamp of my experience, and