

“Backwash of the Past”

A Reply to Anne Morrow Lindbergh

By EDWIN S. ROSS

“THE wave of the future is coming, and there is no fighting it.” This is the phrase in a dozen different forms, emphasized and re-emphasized, compelling a feeling of the inexorable movement of time itself, inevitable, sweeping all before it, heralded by the crack of doom; this is the awesome note sounded by the onrushing Nazis in their campaign of easy victories by propaganda, striking helpless terror in the hearts of abject adversaries. Incidentally, it contains the title and central philosophy of the latest book of Anne Morrow Lindbergh—“The Wave of the Future.”

Hailed by the press as a “well meant” work, written seemingly in a calm, judicial style, expressing such an apparently long-range, planetary point of view, it has escaped the keen analysis and merciless probing it might have received had it been recognized in its true light. The rough and tumble treatment usually meted out to books on sociological subjects has been spared this one because it is so “well intentioned.” The phrase itself should conjure up the scent of brimstone paving blocks.

Were it only as a friend of mine called it—“a harmless little book”—the lack of effective criticism would be of no great importance. But since its central theme, unless boldly attacked and exposed, will crystallize in the minds of men a thought vaguely but widely held, I propose to separate the meaning from the intent.

“The wave of the future is coming.” What are we to understand by that baleful sounding phrase? By that is it meant that time in the distance will become time in the present? Is it simply that “what will be will be”? *That* wave is sweeping over us now, has swept over us since the beginning of time and will always do so. Time *is* inevitable. It was not to tell us that truism that Mrs. Lindbergh wrote her book.

By the “wave of the future” we are to understand that some *particular kind* of time will encompass our future actions. An era is coming that has an essence of its own. The relationships of men will be on a different footing from those we know today. America will meet the wave of the future in its own way. We will prepare ourselves so that it will come easily with a minimum of shock, not with the brutality and terror that enshrouds most of Europe.

All this would be fine if Mrs. Lindbergh did not reveal that by the “wave of the future” she means a very special kind of wave, with very particular kinds of relationships established among men.

To understand the particular kind of society (for that is what is meant by relationships among men) that Mrs. Lind-

bergh has in mind, the reader will have only inferences to guide him, because in the whole forty pages there is not one word of explicit definition as to what sort of future this inevitable wave must bring us. In fact there seems to be a deliberate attempt not to define—an attempt, by speaking of the “American answer” and the “French answer” and the “British answer,” to have us think that the wave of the future is in reality a number of harmless little wavelets, from which we can make our selection.

It is only by ascertaining where the crest of the wave is now, and who rides it, that we can apprehend the nature of it. Let Mrs. Lindbergh tell us in her own words where the wave now is: “The leaders in Germany, Italy and Russia have discovered how to use *new* social and economic forces; very often they have used them badly, but nevertheless they have recognized and used them. They have sensed the changes and they have exploited them. They have felt the wave of the future and they have leapt upon it.” No other countries are mentioned. Just Germany, Italy and Russia. Somehow, in some way, they must have in them a distinguishing essential. Something that must be recognizable by their actions; for they have “leapt” upon the wave of the future while others have not.

Can it be that these countries have by their actions instilled in their peoples some new spirit that reveals itself in high morale in battle? Then Britain with its magnificent soul must be included; so must China. Then we have two waves of the future, clashing together where only one should be, and where only one can survive. But Britain is not included, nor China.

Is it in their efficiency as war machines that these countries differ? Then Russia should be ruled out, after its miserable campaign against Finland. And Italy failed lamentably to qualify in Greece and Libya.

No, it must be that the “totalitarians” possess some common denominator in their relationship among men wherein they differ essentially from other nations. There must be some way in which men in these countries exchange goods and services and ideas, not found or at least not found to anything like the degree, among other peoples.

Now there are only two ways open to man in the distribution of goods or services. One is by the offering of goods or services in exchange for other goods and services, which is known as the market method; and the other is the assumption and distribution of goods and services by the government. This latter is known as the “ration method.” And it is just here, I submit, that the issue is joined. For in Germany, Italy and Russia goods and services are very largely

distributed by the ration method with as little help from the market as they can manage, while in England and America the market method is employed with as little rationing as possible.

Here, then, is the essential difference. The "democracies," as Mrs. Lindbergh scornfully calls them, still cling to the ideal of a free market, while Germany, Italy and Russia have turned to the ideology of a deliberately planned and administered economy.

Of course Mrs. Lindbergh is very sincere in her railings against the barbarisms, the ruthlessness and the brutal terrors of the Gestapo, OGPU and Fascist Secret Police. But underneath it all she is sure that these regimes are "in the essence, good."

Perhaps she does not wish to reveal herself as a "planner," a "collectivist," a "totalitarian." Whatever the reasons for her restraint, I have sought carefully through the entire length of her book and have found not one single sentence, not one word, that tells us what there is about the "wave of the future" that is good. It is good because Mrs. Lindbergh hopes it is good. Helpless to tell us why, she is driven behind the oldest of all known alibis. She has "faith." The subtitle of her book is "A Confession of Faith." But because her faith is not built upon the deep-rooted rock of knowledge, she does well to confess.

Mrs. Lindbergh can now be classified; we have found the proper pigeonhole in which to place her and her philosophy. She is an authoritarian collectivist who believes with Stuart Chase, George Soule and others that we can enjoy the supposed blessings of a planned economy without the attendant evils that have everywhere accompanied the effort to establish such a society. She is also either a believer in mystical predestination or in economic determinism. For "the wave of the future is coming, and there is no fighting it."

Since Mrs. Lindbergh either could not or would not describe for us the essential goodness to be found in a deliberately planned and administered economy, it devolves upon us to determine whether any such goodness exists. Let the reader fortify himself with some trusted headache remedy and now plunge into the talk of planning only one item, say shoes, in a controlled society. First, we must plan how many. Shall it be five million or twenty-five million? Shall we give every person just one pair or three? Shall those who work outdoors have a greater number rationed to them than those who work indoors? If so, how much greater? How many styles shall we make? Shall we import cheap leather from Argentina so that we can spend more for other purposes, or shall we get the leather from our own country to encourage home cattle-raising? If we issue five pairs of shoes to every person how are we to know that it might not have raised the sum total of happiness by issuing only two pairs, using the excess time and labor for some other more de-

sired purpose? If we decide to produce five instead of twenty-five million pairs how are we to know whether we have satisfied the relative demand? If the people really desire twenty-five million pairs, then those lucky enough to have received the five million will trade them illegally for enormous profits. This is done in Russia today on what is known as the "Black Bourse," and all the brutal tortures of the G.P.U. have not been able to suppress it.

In short, in the absence of a competitive market, it is absolutely impossible to know how time and labor and natural resources should best be used.

People have a waywardness about them that does not conform well to plans that other people think ought to be good for them. And so when the plan is adopted the populace must be made to conform. And in the effort to make them do so, recourse must be had to Gestapos, strict censorship, suppression of all dissent, and all the other phenomena of brutal state power that Mrs. Lindbergh so decries, but which she herself could not dispense with were she the most humane planner imaginable.

This, of course, is not intended as a complete answer to the claims of the collectivists. For the absolute annihilation of all such claims the reader is recommended to Max Hirsch's "Democracy versus Socialism," Ludwig von Mises' "Socialism," and Walter Lippmann's "The Good Society."

In identifying "the wave of the future" as simply the authoritative state, another idea of Mrs. Lindbergh breaks down. The "new social and economic forces" which the dictators of the totalitarian countries have learned to "exploit" are seen to be ages old.

Untold centuries ago, when the first rapacious hunting tribes swept down from the hills to conquer and terrorize and enslave the peace-loving agricultural communities, a State was set up differing in no essential from its modern counterpart. The entire history of civilization since that time is the story of man's efforts to free himself from the arbitrary control of bureaucratic officials—to gain the freedom to exchange goods and ideas without the interference of chieftains or dictators, priests or princes. There is, after all, but one way in which man can increase the sum total of his satisfactions, and that is by the continual division of labor in a free market.

This process has been going on with ever greater refinements for thousands of years; now held back by some Pharaoh or Caesar, now bursting forth in full vigor as when King John was forced to sign the Magna Carta, or when the Bill of Rights was inserted in our Constitution. We are, as Lippman says, *committed* to a division-of-labor economy. Every attempt to interfere with it, every effort to control it to suit the ideas of only a part of society, whether a single dictator or a majority, has resulted in retrogression, brutality, and enslavement.

This is the lesson, the wisdom of thousands of years.

But Mrs. Lindbergh tells us we must scrap all that. "The wave of the future is coming and there is no fighting it." No doubt Hannibal tried it out on the recalcitrant Roman Republicans. And Napoleon certainly used it to good effect until he ran point blank against some skeptics who looked askance at his inevitable "new order," and won a victory that released the whole of Europe from bondage, and opened the door to the latest phase of the great advance we call "the industrial revolution."

Yet there is one thought that demands serious attention. That is Mrs. Lindbergh's cry for reform—the plain, unqualified statement that some kind of readjustment is necessary. That is true; it is self-evident. We cannot go on with depressions and wholesale unemployment, periodic wars, and wide-spread poverty. Remedial measures are necessary, and quickly.

The trouble with Mrs. Lindbergh is not in her demand for reform but in her insistence that a particular kind of reform, totally unsuited to the economy to which we are irrevocably committed, must willy-nilly, sweep over us.

That it *may* sweep over us if we do nothing about it, is true. And if it does; if England goes down, and America and China (whether from without or from within), then it is likely that our civilization will go as Rome went. For the ways in which a modern authoritarian state maintains itself are so much more powerful, its weapons are so deadly that successful revolt is well-nigh unthinkable. A scythe may stand some chance against a sword, but a fowling piece will not avail against a Bren gun. And though the citizens might occasionally rise up to "face the machine guns on the barricades," the charnel piles of their own dead would soon prevent their progress. They would succumb, and accept, and find their relief in circuses. Then, from the core out, like a puff ball, our civilization would rot, until, lightly tapped by a new tribe of Huns, it would burst all at once, leaving a ruin to be gazed on curiously as we now look on the pyramids or the debris of ancient Rome.

This is what we will come to if we accept the "wave of the future." To prepare ourselves to accept it is not merely to carry coals to Newcastle; it is, in a fit of absent-mindedness, to leap into the furnace.

Wilson—A Follower of Henry George

S. J. WOOLF'S latest interview, printed in the *New York Times*, was with Henry Morgenthau, Sr., venerable father of the Secretary of the Treasury. Mr. Woolf reported Mr. Morgenthau as saying the following of Woodrow Wilson: "Mr. Wilson had but one prejudice. That was against wealth; he believed that no man could honestly amass a million dollars in a lifetime. At heart he was a follower of Henry George and strongly objected to private profit accruing through the increase in land values."

Assessing Land on Gross Value

By HERBERT T. OWENS

THE efforts of Georgeist reformers have been directed towards a change in the incidence of taxation. That is to say, we have urged in the municipal field the exemption of improvements and the transferring of taxation to land values. We have succeeded to an encouraging extent in having this done. In places where it has been done, the phenomenon has been noted that assessed land values in many cases have continued to rise whereas the intended purpose of land value taxation is to reduce—eventually to remove entirely—the selling value of land. One reason for the continued rise in land values is that there has been industrial expansion, and population has continued to increase, and there have been land booms which have kept land values increasing.

In New Westminster, B. C., there has been a more static situation. Although many B. C. cities which formerly exempted improvements 100 percent have reverted to the taxation of improvements, New Westminster has continued up to the present to exempt buildings entirely. One reason which led municipalities to revert to the taxation of improvements in B. C. was the enactment of a statutory limit to the mill rate on land. When a municipality found that it could not raise the amount of revenue required on its land value assessment, without violating the provincial statutory limit, it was forced to tax improvements. That is not to ignore, of course, the pressure of land speculators against a system that interfered with their profits and the general ignorance on the part of the electorate of the merits of collecting economic rent.

In the case of New Westminster its Council is faced with the fact that assessed land values have declined in the last ten years from \$15,000,000 to \$7,000,000 and it has stretched its mill rate to the statutory limit. To avoid having to tax buildings, it has used such means as poll taxes and fees for garbage collection to increase civic revenues. It is questionable if it can hold on much longer under the condition of declining assessment and a statutory limitation.

Now, although New Westminster is a case in point, it should be borne in mind that any city on the land value taxation basis will meet a corresponding situation. That is to say, as land value taxation gets in its beneficent work of taking the selling value out of land, assessed land values based on selling price will go down, and along with them civic revenues will fall.

When states, provinces and national taxing authorities levy on land values, the decline will be accelerated. There is need therefore of a formula which will bridge the gap during this evolutionary process. Such a formula has been evolved by a Canadian Georgeist, Mr. E. S. Woodward, economic consultant of Vancouver, B. C., and it seems to this writer that Mr. Woodward's formula meets the situ-