

world is less in danger of Syndicalism than Mexico, for few peoples are so intensely individualistic. A healthy reaction from Bourbonism does not mean Bolshevism by any means.

All that we hope to do is to release opportunity, to take away special privileges and restore equal rights. We want a great educational system, free grade schools, high schools and State universities, for we feel that education is the final answer to our problems. We want a social justice code that will drive the cruelty out of industry, assuring to workers every justice and proper division of rewards. We want to safeguard the weak, protect the helpless and build the health and well-being of a people upon the solid rock of equal justice.

The people of the United States will remember the fight made against their own child labor laws and their own workmen's compensation acts. As I remember it, these wise measures were also branded as anarchistic at the time. Just as your own Republic went forward regardless of standpatters, so will Mexico go forward."

Mr. Creel's Platform

ANOTHER stumbling block in the way of progress is the divisive prejudices that now cut up our nationalism into classes and tribal fragments. Class consciousness in the United States is primarily and entirely a matter of money. The poor, caught in a trap of taxes, direct and indirect, are bound to be embittered by the sight of tremendous wealth, especially when it is inherited, not earned. This bitterness, expressing itself through all of the usual forms of discontent, rouses class consciousness in wealth, and there one has the battle, increasingly angry, unreasonable and unreconcilable,

May not the answer be found in giving up the income tax as a major source of revenue and putting largest emphasis on an inheritance tax, that will prevent the entailment of vast fortunes? The income tax, after all, is the penalization of industry, while the inheritance tax merely prevents the manufacture of a parasitical group.

But why is it not possible for a courageous progressivist movement to hit at the source? Why not put an end to the accumulation of that sort of wealth which is not the product of courage and energy and effort? Only comparatively few of the great fortunes have their base in trade, commerce, invention, or construction. The bulk of inherited wealth in America comes entirely from *land*—not land development, but speculation in land values; buying tracts at a low price and holding them unimproved until the expanding energies of people enforce a high price. This increase in value is not created by the owner, but by the community, and therefore belongs to the community. That is the Henry George theory long derided as the Single Tax—but nevertheless coming to have a deep and strengthening hold on the progressivist mind. GEORGE CREEL, in *Collier's Weekly*.

Fundamental Economics

FIRST PAPER

POLITICAL Economy has been dubbed the dismal science, and so, for years, it has been. Subsidized instructors and endowed professors have so distorted a few simple, fundamental facts, that the human mind becomes hopelessly lost in the labyrinth of involved reasoning, or totally submerged under a deluge of empty, but formidable looking words.

However, when rightly understood, political economy is one of the most interesting, as well as one of the most important of the sciences. And it is a real science; a science that has to do with matters that absorb the larger part of the thoughts of all of us—the getting of a living. In few words, political economy is the science which treats of the production and the distribution of wealth. It includes within its domain nearly all the vexed questions that lie at the bottom of our politics and legislation; of the theories of society and government; even questions of philosophy and religion.

POLITICAL ECONOMY ORGANIZED KNOWLEDGE

Political economy is rightly called a science, for it is organized knowledge, and knowledge that is based on the facts of nature. That the fundamental principles of this science have been ignored and neglected in the past is natural, for it has to do with the great questions that are bound up in the ceaseless struggle for wealth; it has to do with the theories of government and society; it has to do with tariffs and bond issues, rents and subsidies and public debts; it has to do with labor unions and socialism, and every manner of reform; it has to do with every panacea suggested as a sure cure for all our social ills. It is natural, therefore, and to be expected, that the facts upon which this science is based are seldom laid bare in their natural garb, for to do so would be to tumble to earth many an imposing structure of distorted meaning.

When the laws of any particular science are once understood, they generally throw a flood of light upon other facts that have, hitherto, been misunderstood or unintelligible. With a discovery of the law of gravitation came an understanding of the laws governing the whirling, tumbling heavens. With the enunciation of the laws of natural selection came an understanding of the living world and the abandonment of theological guesses. With a discovery of the fundamental laws of political economy will come an understanding of the social fact of why poverty dogs the feet of progress; of why hungry, starving people are always to be found in conjunction with an enervating, debauching superabundance; of why it is that in cities containing more wealth than all the wealth of the Indies, people welter in filthy slums like dogs in their kennels; of why it is that ragged men tramp the highways when opportunities for wealth producing work beckons from the open fields all around them. A proper understanding of these laws will not only solve this riddle of all the ages, but will also suggest political measures that will be necessary to

bring society in harmony with these immutable laws, and thus abolish forever many of the evils that are now shaking civilization to its very foundations.

MANY SOLUTIONS OFFERED

Many solutions now offered as a cure for our social ills will soon be forgotten, as soon as human understanding grasps the few simple, logical principles of fundamental economics. Those who offer these solutions, are, almost without exception, honest and conscientious men and women, who are striving in the light as they see it to aid and assist their fellowman, and to try to make the world a better place in which to live. Yet, the very existence of these many reforms obstructs and hinders the approach to the goal, and tends to prevent the recognition of the natural laws of economics that most of these suggested reforms entirely ignore. The most prominent of these suggested reforms might be classed as follows:

1. Protective tariffs.
2. Regulation.
3. Improvement of the morals of the people.
4. Evolution, unaided by human enactments.
5. Anarchism.
6. Socialism.

There are ominous signs on the political horizon that that misleading and befogging slogan, "protection," is again about to become the watchword of one of our greatest political parties, by which means they intend to bring prosperity to the workingman by increasing the prices of all the necessaries of life, and to protect him from the competition of European pauper labor, through the ingenious scheme of bringing the pauper labor to this country and thus making it American pauper labor instead of foreign.

THE CLAIMS OF PROTECTION

Protection—that often punctured fallacy that is being continually resurrected to dazzle the unthinking workers with an elusive vision of a full dinner pail. A scheme of reform that says it better is to send more goods, which are wealth, out of the country, than what you bring back; forgetful of the fact that international trade, is, in its last analysis, an exchange of commodities. A theory that industries more powerful than the government are still infants, and in need of protection to permit them to develop, although these same infants are underselling their able-bodied foreign competitors in their own market. A proposal that is heralded as a sure means of keeping up the prices of products, ignoring the fact that increased prices can never aid the bulk of the consumers who have only their labor to sell, and whose wages cannot be raised as long as there are unemployed looking for their jobs. A law that is supposed to make this country an inviting field for the investment of foreign capital, although nothing is said of the fact that if foreign capital is invested here, it would soon be siphoned back from whence it came in the form of exorbitant interest. A change that is called a protection to

American industry, when even under the so-called protection laws, only one out of every forty-six industries get any protection at all, and under which the labor of the country is completely ignored.

A fallacious hodge-podge, in other words, of twisted economics, designed to bolster the profits of a few giant industries; a breeder of racial hatreds and prejudices, a prolific source of war, and as a method of actually accomplishing any real good for the people, one of the most glaring hallucinations of modern politics.

REGULATION AS A REMEDY

We have other reformers, who say that conditions are not so bad as some people make them out, and that all that is needed is a dose of regulation now and then. Don't abolish the saloon, regulate it. Don't destroy the present relationship between capital and labor, pass a minimum wage law and a maximum price law. Don't break a trust, multiply its book-keeping force and compel it to have a dozen names instead of one. A temporary makeshift at the best and one that plays directly into the hands of the very ones who are at the basis of all the trouble. As Frederick Matthews says in his book, "The Distribution of Wealth," paraphrasing the thoughts of the regulated ones:

"It is like a blind man trying to catch a butterfly. Whatever the Americans can do we can weave a spell about them. If they try to adopt certain legislation we can divert it. If they do adopt certain legislation we can interpret it. No matter what reform they inaugurate we can control the ballot-boxes or count the vote—nothing can stop us as we control the control. They will try to inquire into us in the form of an insurance company, and we change ourselves into the office boy or gas company. They will start for the office boy or gas company with a great blowing of trumpets, and we become a calm and peaceful copper-mine a thousand miles away. They will set an honest politician to reform our methods, and we flash a vision before his eyes of the machine that keeps the honest politician in office. If things get dull, or the people need a little more protecting, we can appear in the form of a civic crusader ourselves, and go crusading against the maladministration of our own organizations in the cities. The waves of reform are excellent things—they keep the local bosses in order. They help us protect the people and put up the market rate, in dollars or votes, of the vice which we dole out to the people at the other end of the mystic circle in the form of police administration. The more we reform ourselves in this way, the easier it is to control the votes and monopolize the sale of vice. Some denounce us as governmental privilege, while in reality we are nothing but an innocent, untaxed ore body, oil well, franchise or a million acres of land which we are thinking of using later on."

RELIGION AS A SUBSTITUTE FOR ECONOMIC REMEDIES

There are multitudes of people, however, who will ignore these suggested reforms, yet who will follow the leadership

of those who say that the solution of all our earthly troubles can be found between the covers of a book. Say these, the only feasible plan is to improve the morals of the people by teaching some particular brand of religion; whether Mohammedanism, Buddhism, Judaism or Christianity. The only effective reform is to repeat some creed or mumble some unintelligible litany, and wait for their reward until the time when their immortal souls shall have been wafted through the black void of night to the spaceless heavens where the constellations twinkle. We do not mean to say that moral and religious teaching is useless for it is not. But religion, divorced from economics, as it is now, may in some cases assist in the development of character, but it will never result in the economic salvation of the world. We have been indulging in reform methods along this line for several thousands of years, yet in spite of this Niagara of moral teaching, greed, and avarice, and dishonesty and corruption still exists to make a mockery of it all, and rich churchmen exploit their workmen when the opportunity presents itself, with as little qualms of conscience as though they had never heard of the Ten Commandments, or listened to the Golden Rule. Theology and hungry men always have been and always will be an inconceivable combination.

SCIENCE ANOTHER SUBSTITUTE

"But," say our men of science, who look with disdain on their theological brethren, "You, like all other reformers, are on the wrong track. Human laws are useless. Moral teaching is useless. Everything comes about in accordance with evolutionary laws, and society will develop into whatever system the working of evolutionary laws tend to bring about." This is a plausible theory but a half-truth at the best. The struggle that produces social progress is not biological. The great man in modern times does not in any way correspond to the fittest to survive of Darwin. As Professor Mallock says:

"The great man, as an agent of progress, shows his greatness in a way precisely opposite to that in which the fittest man shows his fitness. This is what our contemporary sociologists fail to perceive, and endless error is the consequence. The great man, unlike the strongest lion, promotes progress by increasing the food supply, not of himself, but of others. He is like the lion who should be better fed than the rest of the lions in his region, not because he took a carcass from them when they were all fighting, but because he showed them how to find others they never would have found unaided. Free traders have not triumphed over protectionists because the mass of free traders have exterminated the mass of protectionists. It has triumphed simply because, in the eyes of the majority, one school of theorists succeeded in discrediting another.

Now these facts, which when once stated are so obvious, not only throw the Darwinian struggle for existence altogether into the background as an agent in social progress, but show that it presents no true analogy to that kind of struggle from which progress principally results."

To say that evolution is the cause of the endless internal struggles of society can never quiet the people, who see the necessity of a change from present conditions, and who insist upon the demand for it. As Benj. Kidd says:

"The evolutionists may be convinced that what is called exploitation of the masses, is but the present day form of rivalry of life which he has watched from the beginning, and that the sacrifice of some, to the future interests of the whole, is a necessary feature of our progress. But this is not argument to those who object to being exploited and sacrificed, and who are entrusted with power to give political effect to their objections."

Whatever may be the necessity for physical struggle in the rest of the animal world, it does not apply to human beings, blessed with reason, and capable of understanding and taking advantage of natural laws.

PHILOSOPHICAL ANARCHY ANOTHER REMEDY

We must consider those who believe that progress can come only from a co-operative group of the workers free from the phantoms, as they call them, of government, property and God. In other words, those who believe that the only relief for society is anarchy. But coming down to bed rock, isn't this but a play on words? Wouldn't any co-operative group that had to make its views understood and respected, be, in its essence, government? As long as the co-operative commonwealth produced things to satisfy human desires, wouldn't there always be property? And how can you abolish religion? You can destroy churches and ecclesiastical systems; but real religion, human service, the feeling of eternal brotherhood, the glimmering of an immortal hope, you can't abolish that from the human breast; you can't tear it from your own hearts though you call yourself atheist until your tongue is palsied. You can't do without government, for as a modern economist has said:

"Man's relations to his fellowmen and to the earth upon which he must live are such that government is necessary. It is necessary, not only to prevent the strong from imposing upon the weak, but to enable man to rise above the tyranny of physical environment and most effectively subject to his use the forces of the universe. Government, for instance, enables him to lay out and improve highways, without which he never would have risen from the savage state. It enables him to dot the seacoast with lighthouses and life-saving crews, and to warn the mariner and farmer of approaching storms, to conserve life and health by public sanitary measures, and, at a minimum of effort, to provide means of education through the public schools."

WHEN a tax change is under discussion, you'll find a college professor there to steer the talk away from the land question.—H. M. H.

WE DON'T know what Department of Commerce is for, dear reader, except to give Mr. Hoover a chance to make speeches.—H. M. H.