

A Word With You

In Norse mythology there is a story about Thor, the Hercules of the North, and his visit to the land of the giants. They invite him to show off his strength, and one of the tasks set before him is to lift a cat off the ground. Thor strives with might and main, and finally succeeds in lifting one paw a little. He is of course humiliated, but the giants explain that the cat was an illusion—it was really Midgard the serpent who is wrapped around the entire earth.

I think of this story when I hear it said that our economy is doing wonderfully well today, *except*—except for some little problem—like inflation. One little cat to lift off the ground!

An era of great optimism and well-being preceded World War I. Progress was the key-note, yet life was pleasant. The standard of living was rising, education was more universal—even “music is getting sweeter,” said one observer. Alack! The gay waltz collided with the cannons of war.

Everything had been going fine, *except*—except for what seemed to be little problems which progress would surely mop up in time—like the backward masses of Russia, a handful of anarchists in Sarajevo, a few disagreements among the Colonial powers.

Another halcyon era was the period before the Great Depression. Again, everything was going great. I remember being in school when the Locarno Pact was signed. “Just think,” said our

teacher, “that means no more wars.” With world peace and domestic prosperity, what more could one ask? What indeed, except to clear up bothersome little details, like the habit of Florida land booms to bust, the high cost of living, the indecisive results of the Versailles Treaty.

As we move into 1960, you are going to hear a lot of talk about the exuberant state of the nation. Everything’s wonderful—*except*.

They are deceptively simple, those little problems. All you have to do with slums, for instance, is tear them down and build new houses. But the price of land is such that the rent on the new houses is too high. Very well, let’s have a little help from the government. The cat turns into Midgard!

To settle wage disputes, you simply offer a wage at which labor will agree to produce. But if you touch wages, you also raise questions about dividends, productive capacity, plant and equipment, prices, taxes . . . Midgard!

We must not be deceived by the illusory shape of things. It will not do to treat basic problems as though they were little ghosts that will go away by blowing at them—nor to stand aghast when they do not budge. Rather, they must be resolved with a fundamental approach, wherein their full scope may be clearly seen and handled.

Do you see the cat?

—Robert Clancy

Vol. 23, No. 2

January, 1960

The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York 21, N.Y., supports the following principle:

The community, by its presence and activity, gives value to land, therefore the income from land values (rent of land) belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for community purposes and abolish the taxation of wealth.

Publication committee: Ezra Cohen, William S. O'Connor and Lancaster M. Greene, chairman. Editor: Alice Elizabeth Davis. Subscriptions \$2 a year; single copies 20¢. Second class postage paid at New York, N.Y.