

To the Editor:

I believe that Marshall Crane, in his article, "Pensioners of Old Foes," covered most of the criticisms expressed by other writers, but I think he misunderstood my views as expressed in my October HGN article.

I stated that because monopolists other than the landowner were taking an increasingly larger share of production, there was increasingly less for the landowner to take as rent. But I did *not* state that monopoly income is in any way justified; I merely pointed out that the tax collector and unionist dispense charity, whereas the landowner rarely does.

I now itemize my replies to Mr. Crane:

1) I did not list the tariff as a specific monopoly because I included it as a form of government taxation.

2) The non-land monopolists *have* increased their take since George's time. Note the tremendous growth of taxation and unionism, the largest monopolies. Note the increase in rent controls. And while it is true that the Sherman Anti-Trust Act and laws regulating utilities purport to restrict capital monopoly growth, we have a *new* monopolistic condition today: oligopoly, or the control of an industry by a few large producers, a condition which produces modified monopoly effects. Excess profits taxation is the best way, short of land value taxation, to combat oligopoly. It is scheduled to disappear soon.

3) I stated myself that George was aware of the effects of monopoly on land-rent. The trouble is that his followers are not.

4) I did not advocate socialism. I stated that socialism may have alleviated poverty somewhat, but that socialism is a greater potential danger than even poverty.

5) Final confirmation of my views comes from no other than Mr. Crane himself. I quote: "... all of them (the monopolies) diminish in some way the amount of economic rent in private pockets." I couldn't say it better myself.

#### ***Expected Worse!***

The objections were not as violent as I expected. My critics seemed to agree with me intellectually, but seemed to disagree with me emotionally. As I see it, the reason for the emotional reaction was that it was a new view of economics; the reason for the intellectual reaction that that it was thoroughly Georgist in viewpoint.

MRS. MABEL L. REES of Brooklyn stated there was no "missing link" in George's reasoning, and that monopolies would disappear with land value taxation. I agree wholeheartedly. But there *is* a missing link between modern reality and the beliefs of some contemporary Georgists, who feel that rent *has* increased at the expense of wages and interest, despite all evidence to the contrary.

STRETHEL WALTON, director of the Henry George School in Montreal, though generally complimentary, questions the statement that rent is 5 per cent of national income. So did I in my article. But I think common observation shows that the proportion of rent to production is not enormously higher than 5 per cent.

RICHARD T. HALL of Boston prefers the landowner to the tax collector, because the deprivations of the former are "limited by the free

market in land," while the latter has no known limit. I think that there are no limits to the depredations of either, except that neither can force the producers below the subsistence level. Choosing between the landowner and tax collector is like choosing between the devil and the deep blue sea. Most people prefer the tax collector because they get more charity.

GLEASON DENSMORE of San Francisco enjoyed "The Missing Link," but wants to know why the government cannot collect all the land-rent. It can, but if it doesn't do it by land value taxation it must do it by socialism, a horrifying alternative.

V. WASICKI of Overland, Mo. states that unions can raise wages only temporarily at the expense of rent. "On the one hand there is a tendency to a diminution in the demand of the production and on the other, increased competition from other workers." True, but these tendencies are merely limitations on the wage-increasing power of unions. Common observation shows that unionists get more than non-unionists doing the same work. If unions couldn't raise wages, why have they existed for so long?

C. LEBARON GOELLER of Endwell, N. Y. writes: "Cord doesn't know what rent is. He doesn't even see that wages are relative, and that the 'high wages' of well organized unions have decreased teachers' wages enormously." This does not negate my statement that unionists take what landowners would take; in the long run, if the teachers were not robbed by the unionists they would be robbed by the landowner. But since union wages are higher, the average wage level is higher, and rent is lower.

HERMAN ELLENOFF of Los Angeles is generally critical but writes that the basis of monopoly is private rent collection (to which I agree), and that land-rent is enormous (vague word, but I agree). He states that "in spite of marvellous progress in productivity, labor and capital are robbed by government taxation, private collection of ground rent, graft, corruption and waste." I agree.

—STEVEN CORD  
New York