



Regarding "The Death of the Single Tax" by Benjamin F. Smith in the April HGN, if "opportunity to serve" were solely created, as land value is, by the mere presence of the public, Mr. Smith might be on solid ground. But surely he would not advocate licensing (taxing) doctors, lawyers, etc., because an unjust drain on their earning power had been transferred to a proper source of revenue.

Mr. Smith refers to the "users of land," but all living persons (and many of the dead) are users of the land.

Although Rupert Mason felt that it was an established trademark, I am as eager as anyone to see the phrase "single tax" disappear, though land value rental and other suggested titles so far seem uninspiring. We sadly need a quickly explanatory title.

JOSEPH S. THOMPSON  
San Francisco, California

I do not believe it can be proved, as implied in the article by Benjamin F. Smith in the April HGN, that all social values are not reflected in land values; and until it is proved I do not believe it can be proved that a single tax on land values will be insufficient in meeting government budgets. Further I do not believe examination will show that benefits of civilization and society attach either to all land or to no land, or that police protection, libraries and good education raise all land values equally.

It is doubtful if such natural relationships as freedom, rights and justice are social economic values which can be claimed to be created by such unnatural things as government units. I believe that knowledge and methods

are individual attributes that can be applied only as opportunities exist in the land. The opportunities for high earnings due to an individual's skill are a result of that skill, and the earnings of such skill should not be taxed.

Price is determined by the cost of production in the least favorable circumstance, that is, at the margin of production. If price was determined by rents, price of commodities would not seek a level on all land, but we know they do just that. As for enjoyment of citizenship, civil rights, and protection of life at the national margin, such things may be intrinsically desirable, and may be said to be valuable aids to the good life—but as far as having any value in an economic context, that is yet to be proved.

ROBERT D. BENTON  
Royal Oak, Michigan

THE final statement in "The Root of Money" by Sydney Mayers (February HGN) opens the door to consideration of one of the most important points about money — its abstract nature. Mr. Mayers confirms this point in stating, "Money . . . is a mental concept." This removes money as a factor in economics and places it in the moral field of philosophy.

Understanding an abstraction is not always easy. Faith, as an example, is accepted without rationalization but is not recognized as anything that anyone, or a few, can make what they please, including its elimination, as Mr. Mayers would do. Authority is an abstraction that gangsters agree can be flouted, but with disastrous results. Wisdom is an abstraction that is separate in its outward manifestation and, in God, is omniscience. They may agree to recognize "monetary" as what they please, but "monetary" is the little guardian acolyte that serves the purpose of money in its function as a medium of exchange in the acquisition of the wealth of others. As long as

the acolyte "monetary" remains in relation to currency, then money will remain as a concept while currency is no more than presumptive evidence of money. Money itself may disappear while the evidence of it may remain.

The law of God as recorded in the Bible states that he who breaks the moral law dies. The statement by Mr. Mayers that money is what a man makes it implies that the moral status of money may be disturbed with impunity, and this in the knowledge of such action by irresponsible men over the centuries, resulting in a continuous parade of disasters with deaths, following destructions of monetary systems created for the use of money.

Money is primarily human in nature, and as such presents some of the frailties that man is kin to. Thus his integrity in relation to his promise-to-pay is more than just his will to pay, or his good intentions. But to attempt to make this moral concept a material thing, as a piece of paper or coin bearing only a presumptive evidence of money, is to open up the whole field of the exchange of the produced wealth of man to whomsoever would pervert this presumed evidence to evil manipulation.

WILLIAM J. HARRINGTON, M.D.  
Appleton, Wisconsin

It is flattering that my sketchy observations concerning the nature of money elicited so thoughtful a response from Dr. Harrington. I think I differ with him more as to approach than as to fundamentals.

While I agree that the *concept* of money constitutes an abstraction, I take issue with his assertion that: "This removes money as a factor in economics, and places it in the field of moral philosophy." Money *per se* is very real, objectively existent, and quite material. The intrinsic abstraction relates to its value, not to its being. Any principle or natural law of political economy is

not necessarily abstract, but this does not eliminate it as a practical factor in economic operations.

"Man seeks to satisfy his desires with the minimum of effort" is an abstract rule, but its irrepressible application exerts a powerful economic effect. Value, as Henry George so clearly demonstrates, is a wholly subjective reaction, but its determination affects every economic activity. Similarly, the mental decision that establishes the acceptability and worth of money in trade stems from abstract judgment, but nevertheless directly governs the exchange of goods and services.

Money, *qua* money, is not a "commodity," as Joe Lo Pinto stated in his letter (April HGN), except that if it is coin, the bare metal may be. However, Mr. Lo Pinto was otherwise correct in defining money as: (a) a medium of exchange, (b) a measure of value, and (c) a reserve of purchasing power. All these qualities of money are subjectively determined. Historically money has assumed many forms: paper, scrip, metal, wood, stone, wampum, cattle—even wives! In every case, the object used for the purpose became money solely because men in the course of their economic exchanges, accepted it as such.

Dr. Harrington's moral approach to money is just and commendable. However, it is properly applicable not to the form or nature of money, but to its use and function. A dollar in my pocket is in itself neither moral nor immoral, but the manner in which it is used, abused, handled, or controlled may be one or the other. Those who wield financial power can so manipulate money as to add to or detract from its value on the marketplace; but what that value is, economically, is ultimately determined by the traders who employ it as an expedient in exchanging their goods and services.

SYDNEY MAYERS  
New York