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Education—Six to Sixty

By FOSTER KENNEDY

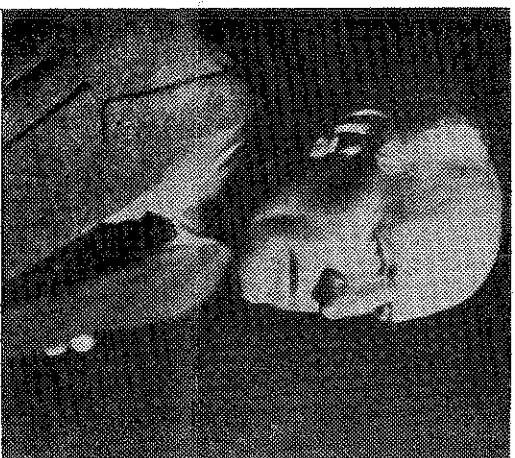
OUR familiar Western world has seen three periods of surprising intellectual development. All these were periods of expansion, geographic and economic, which gave opportunity for added wealth and a leisured life. In Greece that life was based on slavery; during the Renaissance on the wealth of the Indies, and in our time on the industrial revolution and the triumphant march of experimental and applied science.

The age of intellectual victory in Greece was very short, the philosophers too few. But fortunately, while Rome conquered the world militarily, Greece conquered Rome intellectually. So the achievements of classic Grecian science and art were borne in the Roman chariot of state to excite to fruition the burgeoning intellectuals of the larger worlds of the Renaissance and of our own times. The number of inquiring minds has grown with the enlargement of the world of men in numbers. While the world has grown steadily smaller in space-time dimensions there has been a vast growth in population pushing a great number of able minds to the work of creation and inquiry. When one remembers the smallness of the population of ancient Greece and therefore the paucity of intellectual workers to whom we are indebted for their thoughts, one remembers the words of Winston Churchill by which he praised the plots of the R.A.F. who, having saved Britain, saved the world: "Never in human history has so much been owed by so many to so few."

So, as has been suggested just now, we of the modern world are *the very many* in an earth saved in this war for the liberal spirit; we have been saved with teeming hundreds of millions of our fellows from the black shadow of tyranny over the individual. A tyranny has been lifted which would have sequestered knowledge by a burning of the books as did Theophrastus and later the Moslem conquerors when by burning the library at Alexandria they destroyed what man knew then of man and of God: the greatest intellectual catastrophe the human race had yet experienced. A tyranny has been overcome which, for a thousand years, would have imprisoned men's minds by holding from them the keys of knowledge and the catalysts of thought.

The release of our spirit from its greatest threat will give us energy to build a new Renaissance. Science has given us atomic energy. If the statesmen can give us peace, we may be able to produce the wealth that can give us leisure.

For this leisure, for this ripening of the spirit escaped from darkness, we must prepare; the fields of democracy lie at our feet fertile with the hope of mankind; they must be ploughed and sown with the seeds of knowledge, lest a new and more violent wind of ignorance carry away the hard-won soil and leave a barren land of tyranny for our children. In our universities



and academies we must look far ahead with a novel audacity. The democratic faith carries with it implicitly the deeply religious duty of self-betterment by each individual. We must provide for this and help it. We have made a beginning by the compulsory education of the young, but in the minds of the masses of the people schooling and learning end naturally in youth and for most no new idea thereafter enters their commercial and domestic emptiness.

Continued education, say to sixty years of age, would have a steady effect on world society. We have no right to confer the power to vote, and withhold the power by which to vote intelligently. Youth can study but not act; maturity can act but without study; we have all accepted this absurd paradox and without objection. Britain in the midst of danger and crisis has just passed an Education Act raising the school age of the nation to sixteen years; but lacking provision for learning throughout life to improve the quality of citizenship, or to calculate ordered philosophy of thought and feeling. Aristotle has said that education is *liberal* when a man studies with a view of "excellence" and without wish of gain. This Greek word excellence (*arete*) should represent the aim in national adult training; to give balance, knowledge of men, strength of principles, and clarity of thought, in a bright and vigorous body. Such should be the free man's training throughout life—to which may be added the training for some people in special skills or for special knowledge as *vocational* learning.

The adult schools of Denmark were established as the People's Workers' Schools for a political and practical end in the nineteenth century. They fortified Denmark against German aggression by insisting on Danish culture and ideals. They continued later after the unprovoked invasion in '64 with the aim of noble-mindedness. In a hundred years they have raised a depressed and ignorant peasantry into a strong

middle class of prosperous agriculturalists with a liberal and progressive viewpoint.

One may ask, "but how can time be found for all this?" By reorganizing habits of life. Acceptance of the principle will find the method to put it to work. This was so in wartime Britain, and will always be so when society recognizes a need for action. Society reorganized itself when child labor was outlawed, and again for compulsory education of youth; it will be reorganized when two more years are added in England to the school age. More changes will be needed for that event than would be required to deal with adult education on a limited part-time basis.

The adult will bring to his study experience in practical affairs, impossible for the youth; the mature man will have insight into great literature which is mere intellectual exercise and often boring to shallow youth not yet taught by life.

As a youth I had the great fortune to see for six weeks each year Benson's fine stock company perform Shakespeare's plays and old English comedies; a liberal education in itself. All I knew of "Macbeth" had told me that it was not merely bloody, but obscenely bloody; I avoided it for twenty-five more years. I neither saw it played nor read it. Then one day, starting for a country consultation, I stuffed a ten-cent copy of the play into my pocket and read it on my way. For a week I was more than a little drunk with the beauty of poetry, with the majesty of its simplicity and its rhetoric, its "will not sweeten this little hand," and its "multitudinous seas incarnadined." Would this elevation of spirit, this intoxication have come to me at fourteen by this reading? Of course not! At that age I enjoyed the plays; the poetry I accepted at the suggestion of others,—and with dubiety!

The Danes have found further that the same amount of information which it takes a half-grown youth three or four years to learn can be acquired by adults in the space of five or six months, adults keen on learning who have already done practical work. Without practical experience of living, history, literature, and philosophy lack meaning and substance.

In the past fifty years society has been shaken to its foundations. By war of course, but also by the toppling of standards, aided by a flood of mediocre reading made to fit our underdeveloped minds. There used to be a general uniformity of belief in ordered Good, today only to be found in old-fashioned and sequestered communities. Some generations ago religion was a great art-form which shielded men against their ignorance and later shielded them against their knowledge of man's inevitable demotion in the natural hierarchy. Today, compulsory religious training has weakened almost the world over, and no philosophy has been brought to take its place.

(Continued on Page Seven, Col. One)

A Word With You

By ROBERT CLANCY

Since the war we have decided that Europe is pretty well *kaputt*. Certainly that sad continent does appear to be flailing and writhing helplessly. She is suffering from postwar wreckage and famine; she is torn with internal dissension and big-power rivalry.

With magnificent brashness we have concluded that any "solution" can only come from our country. Either "recovery" via the Marshall plan, or the menace of Communism. With egocentric generosity we are posing not only as a rich uncle but also as a wise uncle.

It is only in the name of humanity that food be given to the hungry and without too many questions. But when the provisions are packed with plans and policy, it is time for a moment's reflection.

Is America henceforth the world's mentor? Are we really so sure that our way is the road to prosperity and happiness? Our performance doesn't measure up to our promise! We can still show a better record than Communism. But we cannot forget that one more crisis in our economy is all that Communism needs.

Meanwhile, what of Western Europe? Can she only stand and wait for the outcome of this titanic duel?

Let us remember that Europe has bought her history more dearly than has America. She has been hit squarely with the ghastly consequences of imperialism and the monstrosities of dictatorship. Behind us in production, she is ahead of us in experience.

Before we decide for Europe "Either America or Russia," let us not totally ignore the spiritual resources of the people within the disputed territory itself.

In Europe today (we are limiting ourselves to Western Europe) there is a more earnest groping for a way out than we in this country have yet been concerned with. It is the force of circumstances rather than good intentions that makes people change their habits of thinking and living. Surely Western Europe is feeling the pressure of such forces.

The logic of events may yet compel Europe to take the right road. We may yet have something to learn from Western Europe.

At any rate, underneath the headline news of Marshall *versus* Stalin, the internal events in Western Europe will be worth watching.

VIEWS OF THE NEWS

By SYDNEY MAYERS

Voltaire-like, we disagree with much that Harold L. Ickes has to say, but we are fond of reading his neatly-turned phrases. Says the self-styled curmudgeon: "About the only type of benevolent or fraternal society that the U. S. does not boast is one of 'Happy Taxpayers'."

When we were young and petulant, we would pick up our marbles and declare: "I don't want to play!" John L. Lewis expresses himself somewhat more pompously: "We disaffiliat!" He doesn't want to play, either.

Marching forward again, slowly but surely, the Georgist party of Denmark has elected six members to the new Danish Parliament, while the Communists polled fewer votes and lost nine seats in the Lower Chamber. Bravo to our Danish colleagues, whose inspiring progress shows us a challenging example.

Having devised an apparently successful method of making rain artificially, owners of a 12,000 acre Nevada ranch have filed a claim with the State Engineer's Office to the water in all the clouds passing over their property. Next, some enterprising gent may seek a franchise on the ozone, and sell us oxygen at so much per sniff.

Montreal wants to build a subway, and wonders how to finance it; some suggested that increased taxes from higher "real estate" values would do the trick. But Oscar Boelens alertly points out in *The Herald* how ambiguous is the term "real estate"—and how efficiently, painlessly and justly the funds could be realized through land value taxation.

A conference of all veterans' organizations has been called to discuss their "varying views" on the housing problem. As an unorganized veteran, we gratuitously offer our own simple view: let's just encourage people to build a lot of houses. (How? By eliminating the laws, monopolies, taxes and restrictive practices which now *discourage* them!)

Maurice Thorez, French Communist leader, vehemently denounces the Geneva and Havana trade agreements on the ground that by them French agriculture is being delivered "into the hands of United States competition." It's rather droll to hear from M. Thorez the same protectionist argument asserted by those he customarily terms "right wing capitalist reactionaries."

We can't resist another typical quotation from Columnist Ickes: "The only practical difference between 2,500,000 migrant farm-workers in the U. S. today and the unhappy villains who toiled out their miserable existence in feudal England is that the 1947-model serf does not wear an iron collar riveted around his neck, inscribed with the name of his owner."

To detail the charges of monopoly in production alleged against the United Shoe Machinery Company, in an anti-trust suit brought by the Department of Justice, required 44 pages. But no mention seems to have been made of the very basis of this firm's powerful position—a little matter of certain exclusive patent privileges granted to it by the United States. Inconsistent, isn't it?

Cheerily opining that "a rise in prices is not in itself a bad thing," Prof. S. H. Slichter, Harvard economist, calms all fear of a 1948 business slump, explaining that "a drop in the rate of inventory accumulation is not likely to precipitate a recession." We can't figure out if that double-talk sounds more like Eliza Doolittle or S. J. Perelman.

To curb speculation, combat inflation and penalize profiteering (Can these things be in a Planned Paradise?) the Soviet Union has abandoned rationing and devalued its currency. Other comment aside, this development must be embarrassing to Henry A. Wallace, crusader *inter alia* for O. P. A. and paper money.

Labour Party leader Herbert Morrison demands that Britain's public corporations "show a lively spirit of competitive emulation," and not depend on government protection. But, asks an anonymous newspaperman, whom do monopolistic coal, transport, electricity and gas boards compete with?

Among Our Contributors

E. G. BRUNKER, editor of the *Free Trader*, London, is also director of the *Free Trade Union*, the leading organization in the United Kingdom for the promotion of the cause of free trade. It is independent of party and its bi-monthly journal contains articles on free trade which have been widely reproduced. The *Free Trade Union* also maintains a press liaison service and voluntary speakers' panel and publishes booklets and general educational literature. Mr. Brunker was born in County Cork and educated in Trinity College, Dublin. He has compiled several handbooks pertaining to fiscal matters.

JOSEPHINE BILLINGTON HANSEN has been teaching in the Henry George School at New York for the past four years. Her business career has dealt mainly with budgeting and with taxation and investment problems. Since her marriage to George Hansen (whom she met at the school, and who is also an instructor) she has been taking courses at Columbia University and devoting her spare time to being a housewife. She has also been a most conscientious worker on the Manual Committee. Because Mrs. Hansen feels that statistics are a necessary part of any discussion on economics, she spent many hours in the public library this summer delving into governmental and industrial reports. "Yearly Yardstick" shows the astuteness of her conclusions.

FOSTER KENNEDY, M.D. is a celebrated New York neurologist with a distinguished international background. Born in Belfast, he is a Fellow of the Royal Society in Edinburgh and the Royal Society of Medicine in London. He is also president of the New York Neurological Society and a professor of neurology in Cornell University. The article in this issue originally appeared in the *Saturday Review of Literature* in a somewhat lengthier version under the title "Compulsory Education—6 to 60." Knowing how agitated our Georgists become at the idea of compulsion we carefully deleted the part otherwise destined to raise the blood pressure, moderate though the proposal was.

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Yearly Yardstick or Who Gets the National Income in U. S. A.?

By JOSEPHINE BILLINGTON HANSEN

SOCIALISM'S shibboleths, I think, are best refuted by statistics.

During our past spring session an intelligent, widely read young college student attended my class in Fundamental Economics. In one of our sessions, discussing distribution, he stated, "In the United States 80 per cent of the wealth goes to two per cent of the people."

Ignoring for a moment his probable grouping of land and wealth into one, I asked if he meant that 80 per cent of the wealth *produced each year* went to two per cent of the people? Yes, that was what he had read. He was incredulous when I maintained that the overwhelming part of our yearly production was distributed as wages to our 55 million workers, and interest and rent received the minor, not the major portion.

Statistics were the only method which finally convinced him of the fallacy of his catch phrase from collectivist literature, based on Marx's surplus value theory which maintains that capital exploits the worker.

Perhaps other instructors will be interested in the chart on U. S. National Income, a breakdown of our distribution of wealth over some contrasting boom and bust years.

We examined statistics further, and found that many corporation reports indicated wages and cost of materials (rent, we know, does not add to cost) accounted for the bulk of distribution of corporate income.

The following is a breakdown of 468,000 corporation reports to the U. S. Government, treated as if all corporations were one. It was featured in the New York Times on January 2, 1947.

1940 Distribution of Corporate Income

The tools in use amounted to\$140,000,000,000
The workers employed numbered 20,737,000
The amount received from customers 62,222,000,000

These Receipts were Expended for:

Cost of goods and services bought from others\$13,558,000,000 (22%)
Cost of human energy (Wages and Salaries) .. 31,194,000,000 (50%)
Cost of tools wearing out (Depreciation, obsolescence, etc.) 3,881,000,000 (6.3%)
Cost of payments ordered by government (Taxes) 9,439,000,000 (15%)
Cost of using the tools (Profit) 4,150,000,000 (6.7%)
TOTAL EXPENDED\$62,222,000,000

To an interested observer it must seem self-evident that, in an industrial capitalistic society of 140 million people, the major part of our yearly production is distributed to and consumed by our 55 million workers and their families. United States, we know, has the highest production and standard of living in the world.

Who buys most of the food, clothing, shelter, radios, automobiles, movie tickets, cigarettes? Sellers would find a slim market for their goods without our wage earners as their principal consumers. And wages, although definitely based

United States National Income
(as compiled in U. S. Statistical Abstract)
(These figures may also be found in the World Almanac)
(Figures represent millions of dollars)

Year	Total National Income	Per Cent	Wages	Per Cent	Net Income of Producers, Agricultural & Others* (Includes owners remuneration for services & interest.	Per Cent	Corporation Dividends & Savings—Interest — Rents & Royalties (grouped to save space)	Per Cent
1945	160,952	100	114,503	71	25,641	16	20,808	13
1940	77,574	100	52,288	67	11,989	16	13,297	17
1936	64,924	100	43,024	66	10,870	17	11,030	17
1932	39,912	100	31,610	79	4,849	12	3,453	9
1929	83,283	100	53,023	64	13,630	16	16,630	20

*Agricultural & Others represents farmers and small unincorporated businesses whose owners report their returns as net profits. These returns include owners' wages, as well as interest on their capital, and in some instances also include rent, i. e., above-marginal farmers.

From the above distribution of our national income, it would seem inconsistent to maintain that rent absorbs the larger part of the yearly wealth produced, or that with the advance of material progress rent absorbs a greater and greater proportion in the distribution of our wealth.

on the laborer's return at the margin of production, are not limited to \$50 a week or less. Superior skills and abilities produce the high wages of Betty Grable, Charles Luckman of Lever Brothers, Thomas Watson of International Business Machines, top flight entertainers, salesmen, managers, airplane pilots, etc. These wages make lush reading. Many wage earners show larger yearly incomes than manufacturers, merchants, real estate owners, etc.

After digesting these statistics and doing some research of his own, my young student reoriented his thinking and decided that the bulk of yearly production was consumed as produced to maintain ordinary living for the majority of the population; leaving, quite truly, luxuries to a fortunate few, be they capitalists, landowners, or wage earners in the higher tax brackets. This student now carefully revised his original statement to, "About 80 per cent of our production of wealth goes to workers of this country."

When he had further sifted the issue by recalling definitions and separating land from wealth, he could observe that a small group of privileged continue to own and reap the benefit of most of our valuable sites and natural opportunities. Our society suffers, he decided, not from a concentration of wealth *per se*, as the socialists claim, but from a concentration of land ownership—a prime factor in production—the source of opportunity—now unjustly held by a few for private gain.

The significance of our proposed reform, the paramount necessity of shifting the tax burden to land by collecting the economic rent for society's needs, and leaving wage earners their full return; the necessity for increased production, since workers, although earning the major part of yearly production, are still inadequately fed, housed and clothed, became apparent to him.

With statistics to bolster his arguments, this student explained intelligently how a constantly rising standard of living could be achieved by eliminating land speculation and so raising the margin, which alone could assure more production, higher wages and lower costs.

Now he rejected the collectivists' almost universally accepted slogans, "Exploitation of workers" and "Redistribute the wealth." "I doubt if the next Socialist he meets will influence his thinking. Fundamental economics bolstered by twentieth century statistics are firm rocks, not to be dislodged by catch phrases.

The Freedom Road or—?

By OTTO K. DORN

ONE of the advantages in producing under a free competitive enterprise system, over that of a socialistic system, lies in the power to make instant decisions. This is important because the man on the spot, familiar with the local details and circumstances, is in a position to use sounder judgment than a remote officer or bureaucrat.

At present in our country some three million large and small commercial and industrial concerns and about six million agricultural business enterprises are making instant on-the-spot decisions. Thus they are still reasonably free to direct their operations as occasion requires.

This means that we have some nine million responsible executives with a vital personal interest in the success or failure of their undertaking. These nine million executives are free to make experiments and to replace antiquated equipment and methods without waiting for an official order from a distant bureaucratic office. Furthermore, they are free to increase or decrease their production in accordance with the demand.

Notice how this compares with government planning!

Newark

Mr. George L. Rusby, much venerated trustee of the Newark school and co-author with Dr. E. E. Bowen of *Economics Simplified*, writes regarding rent as distinguished from rental value or site value, as follows:

"One of the foundation stones on which rests the Science of Economics is the proposition that all wealth, when and as produced, is apportioned by natural law among the factors in its production—land, labor and capital.

"The portion going to the landowner, for permission to use the land from which or on which any given wealth is produced, we call rent.

"Political Economy, as our definition states, treats solely of wealth from the first stage of its production until it reaches the final consumer, when it passes beyond the scope of Political Economy. It then passes into the field of consumption, with which Political Economy does not concern itself.

"It thus becomes self-evident that economic rent can attach itself to that land only which is being used in the production of wealth—that it is quite unrelated to either land that is idle, or that is being used in consumption.

"The annual value of the land on which stands a store or other building that is used (being used) in wealth production is true rent; but quite as certainly, the annual value of land used for playing tennis, or the land underneath a residence (provided, of course, that absolutely no wealth is there produced) *cannot* be rent.

"Both pieces of land, one used in production and the other in consumption, may have the same rental value, but this must not obscure the fact that while in one instance that value is rent, in the other instance it is not rent.

"Equalization of opportunity among the citizens demands that in either case the rental value must be collected from the occupant, by Government, to contribute toward a fund belonging equally to all. And in order to state the truth intelligently and intelligibly it should be asserted, not that rent only must be collected into this fund, but that all site values must be so collected, including the rental values of all sites occupied, for whatever purpose used."

Boston

An enthusiastic crowd gathered at the Fox and Hounds Club, Thursday evening, December 12th, for the fall term dinner and graduation of the Henry George School.

Mr. John S. Codman acted as toastmaster, and after a few appropriate remarks he called on several of the students to state how they had personally benefited from the course just completed. One of the most gratifying aspects of the evening was the fine manner in which the students responded, and the zeal with which they plan to carry on their studies.

One student, a credit manager of a large firm employing 1,500 people said that when the circular came to their office, several people in the office became interested; but as usual they were a little suspicious of being offered so much for so little. This gentleman said he then called up the Better Business Bureau in Boston for a report on the school and he received only high praise of the school. He then had the school investigated by someone located in the same building as the Henry George School. The result of all these investigations convinced these skeptical

Why Not Read *All* of This?

gentlemen that the school had something that was not "socialistic" to offer and several of the men in his office took the course in *Progress and Poverty*. They are now taking the course in International Trade and will not be satisfied until all the 1,500 employees attend the Henry George School.

The principal speaker of the evening, Mr. Cecil Pasco, gave an account of the workings of the English Government under the Labor Party. Being an ardent Georgist himself, before his speech was over he had injected into every one present renewed faith in the work of teaching and working for the cause. The exercises ended with a glow of satisfaction to all the teachers that they are not giving of their time and energy in vain.

Work for the next semester, starting January 12th, is going along at a good pace, thanks to the good work being done by friends and students of the school.

Philadelphia

Early in November, Captain Lester A. Jenks, chairman of the Finance Committee, delivered an illustrated lecture on the nature of rent at the Y. M. and Y. W. H. A. His presentation was so well received that shortly afterwards Russell B. Murphy was called upon to give a talk on the breakdown of the Philadelphia budget. Mr. Murphy's discussion revealed how taxes are shifted from titleholders to labor and capital.

The Philadelphia extension was honored by a surprise visit from Spencer Heath—a visit that was altogether too brief.

Captain Jenks completely surprised his friends by coming down with pneumonia. However, the many wishes for his speedy recovery soon brought him back to his old buoyant self.

The fall classes closed with a fine record of attendance, the best in recent years. There were few drop-outs and the students showed an interest and awareness that was extremely gratifying.

The winter term heralds the first classes to be held at the school's new headquarters in the Harrison Building: five in Fundamental Economics and two advanced courses, are scheduled to open the week of January 19th.

Other classes beginning at various dates through the month of January, will be held at the North Branch, West Philadelphia, Chester and Mail Line Y.M.C.A.'s and at the Y. M. and Y. W. H. A. At the Christian Street Y. M. C. A. a group will engage in the study of *Social Problems* on Monday evenings, beginning January 26th. Detailed information is available from Philadelphia headquarters, telephone Locust 7-2824.

Los Angeles

One hundred graduates of the fall classes in Fundamental Economics in the Los Angeles area heard Robert C. Bryant, investment broker and one of the school's instructors, give an inspiring address on "Henry George, the Apostle of Liberty," at a Commencement at the Unitarian Church in December. The meeting was attended also by a good many former graduates and friends of the school.

Mr. Bryant gave three reasons why liberty is so worthwhile: first because the human soul is

not satisfied without liberty; second because only in freedom (liberty) do men learn, grow strong, and make human progress; and third, only through true liberty can man learn brotherhood and love. Enumerating many problems confronting the world today, in Europe, Asia, and the western hemisphere, he pointed out that our graduates had learned the root cause in their studies. He asked for a show of hands to see how many had a burning desire to do something about it and they went up all over the auditorium. "All right, if you really have a burning desire to do something about it, you'll help the educational work of the Henry George School in every way you can." The enthusiasm displayed by the graduates after the meeting, and the promises of help which were given showed that the audience took him seriously.

The graduates in the Santa Monica Bay area got behind the Community Activity program for their area in a determined manner at a meeting at the home of Mr. and Mrs. Mark Woolley on Monday evening, December 1st. The following offered to act as committee chairmen: Mrs. Margaret Austin, Class Promotion; Lawrence T. Mariner, Activities (monthly meetings, etc.), Herbert Sulkin, Publicity. A number of other graduates agreed to help with these and other functions. A. E. Hartmann and Herbert Sulkin agreed to work on fund raising. Those present, besides the persons mentioned above were: Robert G. Davies, Mrs. Cora Hartmann, Mrs. Aster Kretzschmar, Mrs. Jane D. Leonard, Maude A. Mann, Pauline D. Paulson, Mr. and Mrs. Frank L. Sandford, Mr. and Mrs. Wm. B. Truchart, Grant L. Witte, and the hosts, Mr. and Mrs. Mark Woolley. Mrs. Kretzschmar's sister, Ida Wells, who was visiting from Britain, explained that her father was the secretary of the first Henry George society in Scotland.

The purpose of the Community Activity Plan, with groups of graduates forming in each area where classes have been held, is to enable the maximum participation and cooperation of all those interested in the school's program of economic enlightenment. Distances and transportation are a real major problem in the Los Angeles area, and this program makes possible the localizing of meetings, promotions, etc., as well as the classes.

San Diego

In response to a request for reports of unusual or puzzling discussions in various classes, Mrs. Bessie B. Truchart, who, like all of our directors, is instantly responsive and cooperative, wrote:

"The following is an illustration of the tendency of the mind to voice prevailing opinions even when having had some practice in reflective thinking.

"At a recent class session, these statements were given the group, to check as 'true' or 'false.'

"1. A man can justly claim property in land because, while he has not produced the land, he has labored in production and used his savings to buy the land.

"2. Slavery has a just property basis since (where it is legalized) the owner, while not

producing the slave, still has labored and invested his savings in the man he 'owns.'

"When they read the first statement, the majority promptly answered 'true', although there were a few hesitant murmurs of 'false'.

"Upon reading the second statement, there were a good many red faces in the class, as the analogy was obvious.

"If there is a moral to be drawn from this story, may I suggest that it is that instructors should strive to teach 'thinking' to the student, even ahead of conviction? From the start we should impress upon him the importance of analyzing every question in his own mind. The best advice I know of, along this line, is the paragraph from Marcus Aurelius Antoninus, quoted by George on the page just preceding the 'foreword' in *Progress and Poverty*. Look it up!—(Then read it to your class!)"

St. Louis

Graduates at the fall term number 107 as compared with 51 and 55 in the fall terms of 1945 and 1946. The winter term will begin the week of January 12th. Fall term exercises were held on December 12th at the First Unitarian Church in St. Louis with Professor Pickney C. Walker of the Department of Economics, University of Missouri, as the main speaker.

Professor Walker's discussion of how the product should be shared was a fitting climax to the course, leading into earned vs. unearned incomes—that is, into the matter of incomes which result from contribution and incomes which result from no contribution but from privilege. Incomes from production that would not exist otherwise than through the effort of the individual were called earned incomes. Those which would exist apart from any effort of an individual were shown to be of the unearned type. Using individual contribution as a test of individual income Professor Walker pointed out that interest and wages were of this type—rent was not.

The speaker stressed the fact of interest being an earned type of income, and said this was one of the important distinctions between the teachings of Henry George and Socialism.

Mrs. Ross H. Schachner addressed the students on behalf of the faculty. Roy B. Hansen, speaking for the students on the subject "Whither Tomorrow?", outlined a program of cooperation between the graduates and the school. William C. Howard, a faculty member, made the announcements of the evening, and B. M. Nevins presided.

Students were reminded, in a notice sent to them recently, that "The Henry George News is full of interesting articles and getting better all the time."

Chicago

"What the Philosophy of Freedom Means to Me" was the topic of a symposium participated in by Dr. Jens Christian Bay, Stephen Cronan and Ruthanne Bassler, on the occasion of Chicago's 44th Commencement.

Since the question of what to call these term-end meetings often arises, we quote in this connection, Bob Tiedeman's concise reply:

"I much prefer commencement exercises, or better yet, just plain commencement to graduation exercises or completion exercises, which has also sometimes been used.

"When we wish to invite the graduates to puff up over their certificates, let's call it 'graduation.' When we wish to invite them to say farewell to the school, let's call it 'completion.' But when we wish to invite them to pitch in with us, let's call it 'commencement.'

"My dictionary says that 'commencement' means 'beginning,' and that is exactly the idea I believe should reign at this event. The basic course is only the beginning. The great work is ahead—further study and personal aid in the work of the school."

It was a shock to all of us to hear of the death of Alexander Greene on November 19th. He seemed until recently very active and interested in Georgist matters. We sympathize with his family and with the Chicago school, for we know they have lost a valued and much loved member.

Montreal

Another symposium—"The Consumer's Outlook"—was a Montreal feature early in December, with Messrs. James, Hadden, Mathieson and Blackwell leading the discussion. "If you are tearing your hair and losing sleep over the way prices have been climbing up the golden stairs," read Stethel Walton's announcement for this event, "here's an opportunity to give voice to your opinion."

Also on the program were short addresses by students and one in French by Mr. Deman-

rais, a member of the French class in Fundamentals Economics. Mr. Demarais is arranging for a group from the University of Montreal to study this course in French, with Mr. Marcel Sylva as the teacher.

From another and unexpected source we have further news of Montreal in a letter from Monsignor Ligutti, editor of Land and Home and presently a leader in the proposed plans for resettling displaced persons. He writes:

"Had a most pleasant hour with a group of Georgists at the home of Miss Walton on Sunday morning—all very fine people. They do have problems, but they are no different from yours in the U. S., so I made the suggestion of the psychological approach and an attempt at getting younger people..."

We hope the good Father will forgive our editorial license in using his letter without permission.

New York

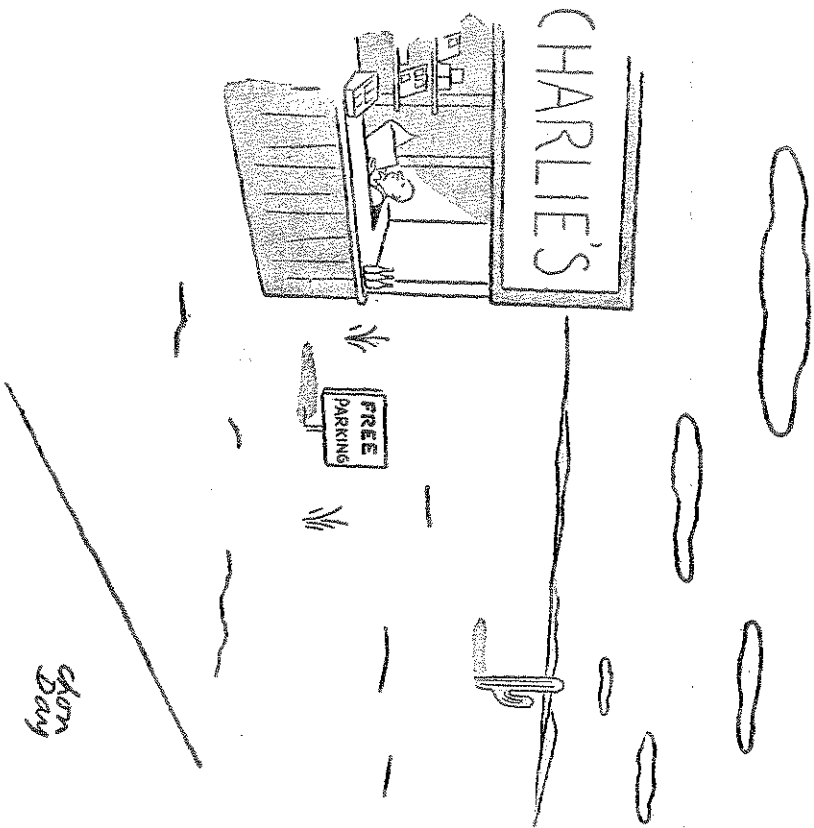
It was "Newark Night" recently on the New York calendar when Alexander Goldfinger honored us with a visit. He was introduced by Dr. Geoffrey Esty who is a trustee of both schools and equally invaluable in both.

Speaking on "A Significant Supreme Court Decision," Mr. Goldfinger, himself a lawyer, told of a little known incident in Henry George's life, when a farmer in New Jersey became so imbued with this philosophy that he created a trust in his will, destined to aid Henry George in publishing his works and passing them out. He was not a rich man and the bequest was somewhat less than \$10,000. However, upon the man's death, Henry George generously renounced the legacy in favor of the widow. Some of you remember this part from the biography of Henry George. The widow was willing to let the will stand but the children contested it.

The story of this litigation along with its splendid moral as brought out in the address, makes a thrilling narrative. Briefly, the objectors to the above mentioned clause pointed out that Henry George was just an "idol-breaker," a menace to society. Vice-Chancellor Bird (and, said Mr. Goldfinger, he was a *bird*) replied that this was not a valid complaint since cases could be found in English courts where trusts for equally "foolish" bequests had been upheld.

However, "the Bird" found another objection. He said that Henry George had had the effrontery not only to criticize private property but to criticize the courts for their attempt to enforce private property in land and since he called this robbery he made the court an "accessory to crime."

There were several men, however, who told Henry George he ought to take the case to a higher court, and a liberal minded man named James Minturn offered his services. The appeal was taken to the Court of Errors and Appeals, then New Jersey's highest court with 16 judges. Here it came under the jurisdiction of Chief Justice Mercer Beasley, who waived reference to George's writings but pointed out that the stand of the court would infer that once a thing was done that this court said was right, it would hereafter always be right. "We find," said the justice, "that the scientists do not always accept that which has been accepted even for 100 years, it is tested and tried and if necessary changed. Are we who dispense justice in the



Did You Get Yours?

By C. O. STEELE — Editor, THE INDIVIDUALIST

TWELVE trillion dollars! That's what America is worth. That's what your Uncle Sam's balance sheet would show in tangible assets—if the old boy kept books that way. We have it on the authority of one Harold L. Ickes—remember him? Harold delved into the matter several years ago when he was Secretary of the Interior and one of the country's political big-shots and came up with the aforementioned tidy little sum. And that, mind you, was only round figures. His actual total was twelve trillion twenty-three billion.

Now a trillion, come to think of it, is quite considerable. It is plenty beaucoup, as the boys used to say in one of our more recent wars, the one that was to make the world safe for democracy—like it now is. A trillion is a thousand billion. Which makes a billion look pretty small. And yet, if somebody had paid you a dollar a minute, day and night, since the birth of Christ you wouldn't have had your first billion until August 2, 1943, at 10:40 A.M., Eastern Daylight Savings Time. That's how much a billion is—and a trillion is a thousand of 'em. A trillion is a figure that even a New Deal Bureaucrat would be forced to eye with respect—and, of course, with an itch to get his hands on it. Nevertheless, according to Harold, the physical assets of this fabulously rich country of ours are worth twelve trillion dollars—and then some.

It figures out to about \$85,000 for each man, woman and child of the 135,000,000 of us. Which is swell, as you can see for yourself. But the point is, as they say in Brooklyn, who actually owns it all? How much of that monumental pile is *really* yours, to do with as you please? Or mine? \$89,000? How to get it, and when? The thing wants looking into.

Mr. Ickes' super-colossal total—that's Hollywood, not Brooklyn—is made up, save for a mere 250 billion, of deposits of coal, iron, oil and other minerals, of waterpower, forests, farmlands and fisheries—in other words, natural resources. Just tuck that fact away in a corner of your mind for a moment while we shift the scenery.

Once upon a time an American economist who was also a philosopher, or an American philosopher who was also an economist, wrote a book. That book has been translated into most of the civilized tongues on the globe—including the Scandinavian. It is a book on economics, and there have been more copies of it sold than of all the other books on economics that have ever been written. It is a book which to this day, nearly seventy years after its first printing, is still selling at the rate of thousands of copies a year. That book, as no reader of The Henry George News need be told, is *Progress and Poverty*, and its author, Henry George.

The burden of Henry George's book is that the natural resources of the earth, the things that were put here by God—or by nature, if you prefer—and not by man, are for the use of all of us and not for the benefit of just a favored few. Henry George said that poverty was the great problem of the day, and that poverty was the result of unemployment. And unemployment—which Gaston Haxo years later in that

fine book of his, *The Philosophy of Freedom*, was to call "the most cruel, the most stupid and the most unnecessary of economic evils"—unemployment, Henry George said, was the result of our system of land tenure, a system which permitted certain men to deny to other men access to the earth's storehouse of riches save on payment of heavy tribute. Henry George posed the question which Oscar Geiger, founder of The Henry George School of Social Science once put in this fashion: "Why is it that of all the creatures that roam the face of the earth, it is man and man alone who is unable to employ himself at will, unable to avail himself of the bounties of nature. Henry George asked the question and he supplied the answer. He found the cause *and* the cure of poverty.

Now to get back to that twelve trillion you are holding in a corner of your mind. The figure, of course, is completely meaningless. Not merely because its sheer stupendousness is beyond human comprehension, but because there is not, never has been, and, we may be sure, never will be any *limit* to the good things that have been put here for us. That hunger and want are rampant throughout so much of the world today is due, as Henry George made clear, not to the niggardliness of nature but to the stupidity of man. When mankind comes to have wit enough to adopt some such system for handling natural resources as the one proposed by Henry George, then, and not until then, will mankind be released from the thrall of poverty. Come that happy day and nobody will give a tinker's boot *what* valuation some politician may choose to put upon our natural resources. Man will content himself with the certain knowledge that there is enough and more than enough for all—always.

Why Not Read All . . .

courts of law any more immune than those who work in the laboratories?"

Pointing out the case of a trust to perpetuate writings of abolitionists opposed to the sin of man owning his fellow men, Beasley said, "the courts had to uphold the law as long as it was law, but the courts don't make the laws." He added, referring to the George case, "If that opinion were sustained a great mischief would be done to the human race . . . if we never accused the courts of doing a wrong there could never be any progress." In this way Justice Beasley set a precedent, for 16 judges voted to reverse.

The importance of this decision, as Mr. Goldfinger pointed out, is that it made the way easier for future generations to enjoy freedom. Had that case not been reversed, we might not be permitted to have Henry George Schools today, as tax free institutions. Mr. Goldfinger said "We have grown, and I've seen this school grow. We have classes in so many cities. There was a time when the Henry George School meant nothing—now people say, Oh yes, I've heard of it."

Following this excellent address many questions were asked, including, "What is bringing about this revival of interest?" Replied the

speaker: "Organized education—learning that there was a methodical way to do it." He spoke of George Rusby and Dr. Bowen, founders of the Newark school, and quoted Mr. Rusby as saying, "I have seen more progress made in the last dozen years than in all the years before since George's time."

Mr. Goldfinger is dean of Newark's Henry George School following its first and well-remembered dean, Dr. Elizabeth Bowen, who died four years ago was in private life Mrs. George L. Rusby. Her will, now in process of administration, bequeaths the entire residue of her estate to the advancement of economics. The New Jersey and New York Henry George Schools which share equally in one-fourth of the residuary estate, are grateful for her generosity and vision. Indeed, Dr. Bowen's last will and testament is a living monument to her faith in the cause she espoused.

Other recent speakers on the Friday lecture series were Robert Clancy, speaking on "The Human Comedy" as viewed by Hogarth, Goya and Daumier; and the Reverend W. Wylie Young of Batavia, who spoke on The Successful Society.

The New York "Commencement" was a jolly late-December affair with Director Clancy presiding and student speakers showing brilliant, near-professional skill. All expressed appreciation to their teachers and to the school and spoke in various ways of the effect upon them of Henry George's conclusions.

Said Irwin Kaufman, "I advise everybody to stick to the school—try to learn and don't get discouraged. After the sixth or seventh lesson a light goes up!" Victoria Selmer said, "Let's give the Henry George system a chance." Said Ormonde De Kay, "I enjoyed every minute of the course here. . . . Mr. Lancaster Greene never once mentioned the 'single tax' or 'unearned increment'."

Astute Charles Knispel said, "I feel that Henry George requires a little more investigation before I make up my mind about him—you see *I'm in the real estate business*." James Hunter said he had received another diploma but, "I think *this* diploma will mean more to me in the next few months than any other."

Mrs. Lawrence Abt, who is not a New Yorker, was surprised at the unexpected friendliness and added, "I feel there's no doubt that this will be accepted." Another said, "Henry George's idea has substance." Joanna Cole said she'd been a thousand per cent for the school all along but after hearing the members from other classes and seeing the fine audience in the auditorium she was two thousand per cent for it. She added, "The Henry George School is an association in equality, that makes it a really progressive school."

Said Jacques Singer, "You have joined a group of select citizens who recognize and accept the economic and social laws of the universe for each and everyone . . . you cherish freedom and liberty and the rights of the individual, not for selfish reasons, but for the reason that economic, religious and political freedom are the requirements for any healthy system of living." Bess Safran said, "My immediate reaction was gratification because of the opportunity offered freely by private citizens for persons of diverse backgrounds to discuss the fundamental human desires of man living in society and the best way of satisfying the most valid needs."

The Physiocrats

By HUCUES FUA-LAMESINE

WHAT CAME to be known as Physiocracy, is the result of the combined thinking of the great economists of the eighteenth century. Although the name Quesnay is most often associated with this philosophy, such great men as Gournay, Mirabeau, Turgot, Morellet, Mallesherbes and Du Pont de Nemours all contributed to the clear enunciation of Physiocracy.

The Physiocratic doctrine presents a general theory of society. This doctrine is based on the fact that a man is entitled to what he produces and that liberty and ownership are rights of the natural order which we must consecrate.

In the agricultural sense, for the Physiocrats were agrarians, land alone creates wealth. This indicates a primitive advance—in the form of fertilizer, irrigation, drainage, and an annual advance in the form of seed. In return land gives back the equivalent of the annual advance, interest on the primitive advance, plus a profit. Physiocracy pointed out that manufacture and commerce modify the products of land, but that the value added to the latter is compensated by the cost of fabrication. Therefore manufacture and commerce were said to be sterile, producing nothing, merely changing its form, use and value (in dollars and cents).

Physiocracy is important to Georgists as the first systematization of economic thoughts. It influenced the various European governments from 1750 to 1810, and had a direct influence on France's trade treaties with England and Russia. It was even used as an authority for a part of the fiscal work done by the *Constituinte*—the assembly which drew up the French constitution.

The Physiocrats were the first to recognize and advocate free trade and a direct tax on land value—ideas which were taken up—with very little change—by Henry George, about 140 years after Quesnay published *Physiocratie*, his first text.

A further study of the Physiocrats is now being advocated in many universities, because as we progress we gain a clearer perspective of the exactitude of their views. These views, which, up to the time of the French Revolution, spread to other nearby countries and gained wide acceptance because of their simplicity and logic, deserve a critical re-examination today.

Education — 6 to 60

The difference between good and evil in the field of action can be taught to youth, but only the mature man can grasp the difference between good and evil in the field of ideas; for democratic life this must be the aim of all educational effort. Ability for this Greek ideal means freedom for the individual, freedom from ignorance, freedom of choice, freedom from vacancy. To fill their abhorred vacuum the majority rush to sensational radio and movie programs, or bridge. Lacking knowledge of values, the daily paper for very many, no matter how good the editorial may be, means one glance at the biggest headline, a careful reading of the sports news and/or the stock market, and then a long, deep, and solemn study of the comic-strip or the page of so-called "funnies"; a thin diet indeed on which to nourish a responsible father who, we say, has an immortal soul.

And this "freedom" which is constantly now

Protection in England

By E. C. BRUNKER

AN EXCELLENT definition of what free trade means, was given by Mr. Churchill in 1903, when he said:

"Our free trade plan is quite simple. We say that every Englishman shall have the right to buy whatever he wants, wherever he chooses, at his own good pleasure, without restriction or discouragement from the State. The finished product of one trade is the raw material of another. By placing taxes on any of these commodities to raise their price, you may indeed for a time help this trade or that trade, but it will only be at the expense of this or that other trade, and to the impoverishment of the gen-

on our lips! What is it? Some call it freedom from unjust government; so it is, often; but when analyzed deeply enough such evil control is impossible if the majority have learned to distinguish between good and evil. Not even political freedom can be administered like a pill to a people who still are torn by indecision in values among themselves. Canada could earn complete autonomy only after the French and Anglo-Saxons in that country had finally discovered a way of life compatible with each other; and the autonomy of the Union of South Africa crystallized only when the Englishmen and the Boers found themselves emotionally at one as fellow citizens. Opposing values in any organic cause strain, ill health, and lack of "freedom." A dozen years ago I decided I must have a holiday in Cuba for a refreshment of body and spirit. I asked another physician if he would come also; he seemed then in poor health; I told him it would do him good. He refused, saying he couldn't afford to go. "But," I protested, "you have one of the biggest practices in New York." "I know that," he said. "I make \$2,000 a week, so of course I can't afford to go to Cuba."—Would not a confrontation of Shakespeare's poetry and drama, a study of Thucydides, Livy, and Tacitus and of the stream of history, of the fantastic satire of Cervantes have done something to bring about a change of values in this semi-educated slave? The growth of the liberal and free spirit must be insured not only among the ignorant but often also among the learned.

Since this paper was written, controlled nuclear fission has changed the world in the twinkling of an eye. Man is again offered the fruit of Good and Evil. He must choose Life or Death; life overflowing for all—or the end of the world. For the atomic bomb is not "just another bomb"! it is the Power of the Heavenly Host. This power will be in the hands of all peoples and must be controlled by all. Then the delusion of national sovereignties will fade away, for science is a fraternity without boundaries. War will flee the earth if only out of terror at its own face. But to this end we must think in an utterly new way, for we are living in an utterly new universe. "National secrets outlawed in war," is an old, old wooly formula, cowardly and compromising, which would this time destroy us all in the fires of Heaven. We must needs turn from Hate to Love and "Fear God and give glory to Him; for the Hour of His judgment is come."

eral consumer. You may by the arbitrary and sterile act of a Government—for remember Governments create nothing and have nothing to give except what they have first taken away—you may put money in the pockets of one set of Englishmen; but it will be money taken from the pockets of another set of Englishmen; and the greater part will be spilled on the way. It is the right of robbing Peter to pay Paul and charging the public a handsome commission on the job."

As Mr. Churchill admitted, the first and necessary result of protection is to oblige you, the consumer, to pay more for your requirements than you would have to do if the goods were not "protected." People who ask to have their products protected always explain that "things are too cheap." We cannot compete with foreign imports. But if we can keep them out we shall prosper." The way they try to keep them out is by putting a tax on them.

If, for example, I buy foreign china, or gramophones, or stockings, I pay the State a tax on them which makes them dearer than if there was no tax. But if I buy similar things made in this country I pay the equivalent of a tax on them. In the first case, the tax on the imported goods goes to the State. The "tax" on the home-made things does not go to the State, but into the pockets of the British manufacturers.

The object of putting on these taxes is said to be to protect the home manufactures. The way they protect him is by increasing the price of the foreign goods of the sort that he makes. If one buys, for instance, a foreign clock which costs 6s. without the tax, there is an import tax of 2s. on it which makes the price 8s. instead of 6s. That means that a man who makes a similar clock in this country can charge you about 8s. for it instead of 3s., and he is not going to sell a clock for 6s. when he knows that you have to pay 8s. for the same article if made abroad. There is an economic law which can never be repealed, which sets out that for similar goods in a given market, no matter where they are produced, there is only one price.

Protectionists will tell us that protection does not raise the prices of things we want to buy. That is only a dodge to get you to believe that it does you no harm. They say that it gives more work, because the foreign goods that it keeps out (by making them dearer) will have to be made at home. But when protection makes the price of imports higher than we can afford to pay (and that is the only way by which it "keeps them out") how can we afford to buy dearer British goods instead? And if we can't afford to pay protected prices for the things we want, they will neither be imported nor made at home.

Nobody denies that protection may give certain advantages to the industries to which it is applied; but claims that it has done so are no proof that its extension to other industries will benefit them or anyone. The basis of the free trade case is that protection gives an advantage to the protected industries, and to *them only*; and that it is unfair to give advantages to private interests which have to be paid for by the community as a whole.

BOOK REVIEWS

WILL DOLLARS SAVE THE WORLD? By Henry Hazlitt. D. Appleton-Century Company. New York. 1947. 95 pp. \$1.50.

This is a contribution to clear thinking on perhaps the most momentous problem with which the world has ever been confronted. The central idea of Mr. Hazlitt's thesis is based on the principle that if a free market were allowed to operate in international trade and exchange in Germany and the other Western European countries it would tend to stimulate the production of goods, which would automatically flow into the channels that supply the most essential needs.

Unfortunately the assumption prevails that the present economic difficulties of the countries of Western Europe are, in the main, the consequences of the destruction and dislocations of war, rather than due to the restrictions and stupid controls imposed upon them by the Allies. Rationing, the setting of ceiling prices and other controls on essential products, drain both capital and labor from such production, diverting them into more profitable fields such as the production of luxuries and also causing black markets to flourish.

Mr. Hazlitt feels that the first key to the revival of Europe and to the reduction of the strain on the resources of the United States, is the economic revival of Germany, especially since the countries surrounding Germany—Switzerland, France, Belgium, Holland, Denmark and Sweden—whose economics were closely tied in with hers, have also suffered through the German collapse.

In place of using unintelligent means to prevent Germany from again becoming a menace to the world, and making her a burden to all concerned by demoralizing her production with controls, Mr. Hazlitt feels that Germany should be put to work. In endeavoring to restore the productivity of Europe it would be only common sense to begin with Germany, the country that has been most productive and is now the most demoralized and at the same time the one over which we have the most control.

Henry Hazlitt is also a realist. Regarding the food supply, he shows how hopelessly inadequate our supply is to fill the gap left by the decline in European production, of which he writes:

"As the United States produces only twelve per cent of the world's food supply, it is clear that America cannot feed the whole world."

"Before the war, the United States produced less than 9 per cent of the world's food supply as measured in calories. Today, as a result of increase in our own production and the falling off of Europe's, we produce nearly 12 per cent of the total."

... It should be obvious that the real solution is not to distribute scarcity, but to restore production. As we have already seen, this is prevented everywhere in Europe today—by Russian looting, by the policies of communism, by 'agrarian reforms' which seize land, break up farms and displace populations, by export and import barriers, by exchange controls, and by price-fixing which makes it unprofitable or impossible to grow, transport and sell food. Because of the small American food supply in relation to world demand, the effort to atone even moderately for the food shortages in Eu-

rope must cause soaring food prices here."

The author realizes that many of his points are "negative." However, freedom merely seems to be negative because it is minus restraints and controls. Nevertheless, he offers the following sound and positive conclusions:

"Make our own capitalism free and strong, remove the government war-time controls that still hamper output and free markets, strengthen especially the incentives to production, lower our tariffs immediately, whether other nations do or not."

"... The United States cannot consistently recommend sound policies to foreign governments as a condition for loans, when it is not following such policies itself. It can preach effectively only by example. And it can do more for world revival by making its own economy sound and strong and free than by trying to put temporary props under economies built on the treacherous foundations of totalitarian controls."

Mr. Hazlitt is right in saying the United States "can do more for world revival by making its own economy sound and strong and free." We are, however, not living under a free economy in the United States, since no economy is free that tolerates monopoly of any kind, especially land monopoly. To avoid the much-heralded coming depression, man must be free to employ himself in some such way as that proposed by Henry George.

—OTTO K. DORN

CYCLES—The Science of Prediction. By Edward R. Dewey and Edwin F. Dakin. Henry Holt and Company. New York. 1947. 255 pp. \$3.00.

The title of Messrs. Dewey's and Dakin's challenging and stimulating book, *CYCLES—The Science of Predictions*, may be dual or definitive. Cycles, as used in the text, are the recurrent patterns of rise and decline or alternate growth and subsequent compensation manifested in natural phenomena and—so the authors claim—in business or economic life. The only observable connection between natural and business cycles is analogy.

There are, assertedly, innumerable cycles which have been detected and charted by many investigators but the book is concerned chiefly with certain comparatively periodic cycles claimed to be of major importance in the business world. These significant intervals are approximately 54, 18, 9 and $3\frac{1}{2}$ years. Specific forms of business activity appear to conform to one or more of the patterns more than to the others but each is influenced in some measure

Many readers liked "America's Only Original Economist" by G. R. Davies in the December Henry George News. Others wrote in excitedly to protest. These letters are too long to print in their entirety, but next month the objectors will be given a hearing. We cannot recommend too highly the temperate and effective way in which Henry George replied to his critics.

by all the others. When two or more cycles become synchronized in their ascending or descending movements or converge in their peaks or valleys the conjunction is reflected in similar degree in business conditions.

It is pointed out that the peaks of the 9 and $3\frac{1}{2}$ year rhythms, occurring in 1919 when the 54 year rhythm was nearing its top, coincided with the highest commodity prices in this century; that the boom market culminating in the 1929 crash rode to its crest on the rise of the 54 and 9 year movements which reached their peaks in 1925 and 1928 respectively; that subsequent 9 year peaks were marked by high stock prices in 1937 and 1946. The 54 and 9 year rhythms are due to reach bottom in 1951-2 and the authors look for a new low in stock and commodity prices then—if the pattern holds.

An atmosphere of restrained enthusiasm permeates the book. Enthusiasm rather than restraint may readily be awakened in the eager reader by the authors' frequent temperate words of caution against complete acceptance and *CYCLES* may rival or supplement the Dow theory in the plottings of the chartists. A more critical analysis will heed the warnings in the text and suggest additional reasons for qualified acceptance. The authors have unreservedly accepted the sterile belief that the world's economy has reached "maturity." Consequently, they reason, trend curves in industry, formerly rising, have tended to level off and they assume that this condition will prevail in the future. Whereas prior to 1920 successive depression troughs topped preceding boom peaks, they assume that hereafter the tops and bottoms of business activity will course between two comparatively parallel levels. The cyclical pattern therefore will lend itself to fairly accurate prediction.

They concede that new modes of production may superimpose a new pattern of economic expansion upon the old and require adjustment in the timing of predictions but seemingly this contingency is viewed as remote. Thus casually do they deal with the innovations of science and industry which periodically revise and extend the margin of production and, in effect, temporarily establish new frontiers. Emphatically they assert that the most clearly defined cycle is the 18 year rhythm, typical of land speculation and building activity and, significantly, they add, "Most important, we find a tendency in major panics to date themselves by turns in the rhythm of building activity." Had the authors accurately comprehended the significance of these observations this extremely entertaining and persuasive volume might reasonably have been restricted in scope to the following passage, "It has long been assumed that if we could only isolate the causes of economic cycles we could then effectually prevent them and so eliminate the downswings that plague highly organized societies."

CYCLES may well serve a useful purpose. It is an easily readable and readily understandable presentation for popular consumption of matter that almost exclusively has been an esoteric chess game of professional statisticians. Despite its opportunistic acceptance of the "maturity" theory it calls attention to the plight of our unfree economy and encourages business to demand a solution from the economists.

—W. S. O.