

HENRY GEORGE NEWS

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Henry George and Problems of Our Time

By GLENN E. HOOVER

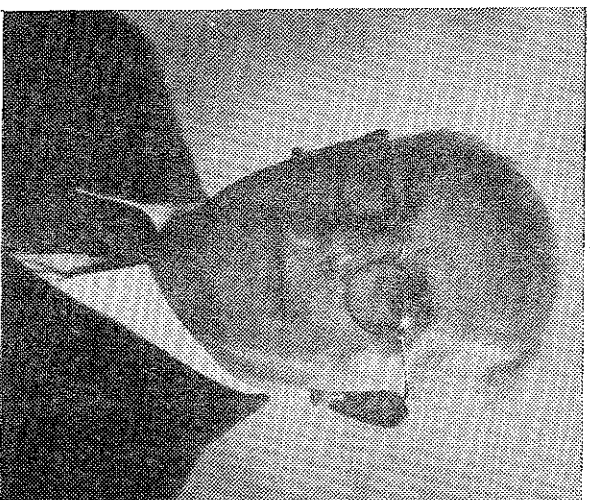
HENRY GEORGE was one of those rare thinkers whose thought was always directed to the problems of his time, and particularly the problem of social justice. It is appropriate therefore, that we should re-examine the problems we inherited from his age, and the programs he advanced for their solution.

George would want us, I am sure, to continuously examine his proposals with the best critical faculties we can bring to the task. He never pretended that he committed to mankind the Final Truth, embodied in a kind of Holy Writ. He would not be flattered if we read his writings as some may read the Koran, the Book of Mormon or Das Kapital, hoping, by some exegetical *tour de force*, to find answers which he never gave. He asked of his contemporaries only that they bring to the problems of their time, and his solutions for them, an open mind, and an unselfish regard for justice, which, with George, was a veritable passion.

He was human enough to appreciate the warm response given his writings and speeches, but he would scorn such Byzantine adulation as the world's Communists heap on Marshal Stalin, or the Nazis gave to their Fuehrer. George always tried to prove his points by facts and logic, rather than by appeals to so-called authoritative writings, and we can best honor him by following his example.

The fundamental problem to which George devoted his life was the right of men to the earth on which they lived. No one believed more firmly than he that men had the right to the fruits of their labor, and that those who saved and accumulated capital had a right to their reward. But he believed with equal firmness that the site value of land, was a socially created value; that the earth was the product of no man's labor; and that institutions which enabled some to charge others for permission to use this earth—our common heritage—were fundamentally unjust.

The equal right of all of us to the earth on which we live is, to me, the core of the Georgist doctrine. It is of course impossible for all of us to share a given lot, tract or farm, but we can all share equally the value of it, if that value is collected for public use. Honest men may differ over the best way to accomplish this end, or the way in which the annual value of land sites should be distributed among the various levels of government; they may also differ over the propriety of giving some compensation to existing owners, or whether the annual site value (economic rent) would be sufficient to defray all needed public expenses. If, however, they believe that we all have equal right to the earth which God—or Nature—has provided, I am prepared to accept them as co-workers in what is perhaps the most fundamental and concrete program ever advanced in behalf of human equality and human freedom.



The acceptance of George's program has been hampered because so many have erroneously believed it to involve only the repeal of all taxes other than the tax on the site of land. This so-called "single-tax" would not, strictly speaking, be a tax at all, but an annual-payment to society for such land as one wanted for his own use. But George proposed much more than a minor fiscal reform involving the simplification of our tax structure. He demanded nothing less than a revolutionary change, by which each of us would be accorded his equal right to the earth.

For lands devoted to public purposes, such as streets, parks and recreation grounds, our equal rights are already recognized, and we enjoy them on a first-come first-served basis. But our equal right to land privately held can be secured only if the full annual value of such land is paid to society and used by it for the equal benefit of all its members. This is the core of the Georgist proposal, and I venture to say that the ethical principles on which it is based have never been successfully refuted.

I have thus far referred to the very compelling ethical arguments for the public appropriation of all site values. However, the proposal would have the further advantage that it would lead to the full utilization of every piece of land whenever it became useful. No one could afford to pay to society the full annual value of land, and then hold it out of use. It is obvious that the proposal would be to the economic advantage of all but actual and potential land-owners.

Some of us have always believed that George was right in stressing the ethical arguments for the socialization of economic rent. His reasons for this he well expressed in the following passage:

"To begin and maintain great popular movements, it is the moral sense rather than the in-

tellect that must be appealed to, sympathy rather than self-interest. For however it may be with any individual, the sense of justice is, with the masses of men, keener and truer than intellectual perception, and unless a question can assume the form of right and wrong it cannot provoke general discussion and excite the many to action."¹

The injustice of allowing a few persons to appropriate to their private use, the socially created value of land is now even more flagrant than in George's time. The men of the Nineteenth Century who added acre to acre and tract to tract, watching others develop them into Main Streets, were often enough ruthless landlords. Very often too their mental powers more nearly resembled animal cunning than the higher gifts of the spirit, but they were generally hard working, often thrifty, and at times quite public-spirited. They were more often disposed to endow colleges, hospitals and libraries than are their descendants who inherited their estates. The latter, having less vigor and less confidence in themselves than their elders had, are more inclined to spend their rentals on what they call "gracious living," and then pass their estates on to their descendants to enable them to live even more "graciously."

Moreover, since George's time the socially created economic rent which landowners appropriate to their private use has greatly increased. No adequate statistics are available, but the annual site value of the land of the United States, for example, must be enormous. If the shadow of war should ever pass us by, and governments would restrict their activities to functions which they can intelligently perform, there can be little doubt that most of our costs of government could be met from the economic rent which is now privately appropriated.

A corollary of this achievement, minor in importance, but soul-warming to some of us, would be the separation from the public payroll of a plague of tax assessors, tax collectors, tax adjusters, tax attorneys, investigators and snoopers of high and low degree. Even the unofficial income tax counselors, whose offices spring up like mushrooms, just prior to the Ides of every March, could go back to more useful tasks.

Efforts to Free World Trade

While George's reputation rests chiefly on his efforts in behalf of the public appropriation of economic rent, he was also an ardent free trader. Because freedom can survive only among equals, one might suppose that his free trade ideas developed from his belief in our equal rights to the earth, but this supposition is demonstrably false. His free trade convictions developed first.

¹ *Protection or Free Trade* (New York: Doubleday, Page & Co., 1911 p. 317.
(Continued on Page Four)

A Word With You

By ROBERT CLANCY

"All men have an equal right to the use of land, and all men have a right to the full product of their labor. To secure these rights, all taxes on labor, industry and trade shall be abolished and the rent of the land shall be collected in lieu thereof."

When will such a declaration be adopted by our own nation—or any nation? The principle is simple and clear and true enough. Yet it seems terribly difficult to get across. Present it to the leaders, and, if they don't get apoplexy, they will tell you, "It may be a good idea, but you must first get the people to accept it." Present it to the people, and if their minds are not clogged with false doctrines, they will say, "It sounds fine, but it is an impractical dream because no leader will take it up." So there you are.

Meanwhile, the people and the leaders are getting excited over what are taken for the burning issues of the day. Shall we restrict labor unions further or give them more leeway? What governmental housing program shall we adopt? To what extent shall we re-arm for the next war? You can see that there is no place for a proposition that will eliminate the necessity for union legislation, government housing and war. Such a philosophy seems to cut at a different angle from the issues that are contested in the arena of action. Even communists, entangled in an unwieldy mess of irrational dogma, find more in the current scene to get excited about.

Is the simple, sturdy philosophy of freedom so out of joint with the times that it must be dismissed as a dream? Does realism demand that such a philosophy be enshrined and honored from afar?

Or is the reality of our times itself a bad dream that must dissolve against the light of approaching truth?

If the principle of freedom be true, then come it must. When the fevered insubstantial "realities" of today spend themselves into nothingness, then must the people and the leaders and the nations face the light with the knowledge that "This is reality."

"Whether it comes with the carol of larks or the roll of the war-drums," said Henry George, "it is coming—it will come. The standard . . . may be torn by prejudice and blackened by calumny; it may now move forward, and again be forced back. But once loosed, it can never again be furled!"

VIEWS OF THE NEWS

By SYDNEY MAYERS

Governor Earl Warren, campaigning for the Vice-Presidency, has announced his vigorous opposition to all monopolies, whether conducted by private enterprise or government, calling them a drag on production which impairs the national economy. Our vote is our secret, but we certainly must second the motion on talk like that.

Eric Johnston, Hollywood's suave ambassador (and best salesman), recently concluded a talk with Marshal Tito by closing an agreement for Yugoslavia to buy a considerable number of American motion pictures. We cannot help wondering whether the deal includes *The Iron Curtain*.

With the advent of an independent India, many maharajahs have found severely curtailed incomes insufficient to support their stables of ceremonial elephants, and have thrown their jumpos on the open market, where the current quotation is sixty dollars per pachyderm. It seems even an elephant can be "balanced" by the law of supply and demand.

The New York Daily News expresses its editorial view of Europe's only possible salvation as "a true federal union, with trade and other barriers knock out, so that the entire area can become prosperous, as the U. S. A. swiftly did after the original states sank their petty differences under the Constitution." Could be, say we, could be!

Time was when Merry England warmly welcomed American visitors to its shores with hospitable "hands across the sea." Now Sir Stafford Cripps gleefully (and rather bluntly) proclaims "the tourist industry has become one of Europe's principal export industries, and probably the greatest single dollar-earning industry."

A Washington dispatch discloses that military occupation of Japan, from V-J Day to last July 1, cost the United States taxpayer over \$2,304,600,000. These naive words conclude the news item: "No responsible official here seems to believe America will ever get much, if any, of its money back."

It is interesting to note that New York City owned transit lines collect fares of seven and ten cents, whereas privately operated bus lines (save the famous extra-fare Fifth Avenue coaches) are forbidden by regulations to charge more than six cents a ride. Can it be that the municipality is admittedly less efficient than private industry?

Among objecting registrants who protestingly signed up under the new draft law was a young man who refuses to earn more than \$498 a year, because he does not wish to pay taxes to the government. Some kind friend should advise this youth that a more beneficial method has been devised for abolishing taxes—one that permits eating.

A beer drought quickly threatened New York's suds-imbibers when a sudden strike by beer-truck drivers, followed by a sympathy walkout among brewery workers, cut off tavern supplies. What prohibition could not do in over twenty years of fanatical effort, a stoppage in production accomplished easily—and practically overnight.

From Belgrade comes news that the government has rounded up most of the country's pig population and will now nationalize the profitable business of raising, fattening and selling palatable porcine products. For pigs is pigs and socialism is socialism—and it seems to appear that in Yugoslavia the twin did meet.

New Hampshire, once the home of a thriving cotton cloth industry, is soon to lose another of its great mills, thanks to the excessive taxation which is now compelling Texton Incorporated to close its giant Nashua plant. The firm states simply that it cannot compete with factories in southern states, where taxes are comparatively small—and again, "the power to tax is the power to destroy."

Having borrowed a mere \$3,750,000,000 from the United States in 1948, Britain's blind-alley Labour Government is now happily arranging a further loan of \$300,000,000 from the Economic Cooperation Administration. Isn't it wonderful how healthily socialism can thrive—when it is generously supported by the nasty capitalistic system?

Econo-quiz

By HENRY L. T. TIDEMAN

"I have had frequent discussions about the way to determine the ground rent under a Georgist system," writes Erwin W. Kaufman of New York in one of the first letters received by this department.

"Some groups maintain that economic rent would be determined by supply and demand. Others believe it could be accurately determined by assessments," Mr. Kaufman continues. "I realize that effective supply and demand will readily set the rent to be collected by the community; but if a parcel of land is not transferred for a long time, and if changes in land values have taken place, it seems to me that only by assessment could the community collect the full ground rent."

ANSWER: Mr. Kaufman is right.

What did Henry George advocate? If you will turn to pages 405 and 406 of *Progress and Poverty*, you will find these statements: "What I therefore propose . . . is to appropriate rent by taxation." And again, "we may put the proposition into practical form by proposing to abolish all taxation save that upon land values."

This is the capstone of the pyramid. All else in the book is intended to attract attention to the justice and practicality of the proposal and to what good may be expected from its adoption.

Our existing local tax machinery, i. e., real estate valuation and tax collection functioning, is the result of centuries of experience. All the techniques are known. The men operating it do a good job as it is; but relieved of the valuation of improvements, the assessors could do better. And with prosperous taxpayers, consequent upon the abolition of land monopoly, the tax collectors could also do better.

We come now to Mr. Kaufman's question, which, by the way, is a very practical one: Can this existing tax machinery by existing methods "collect the full ground rent?"

That, I think, is something about which we need not be too concerned. With all other taxes abolished, a very generous mill rate tax on land values will be needed. If there be much rent escaping the taxing power, it will not long so continue. One of the problems still remaining with us, I believe, will be to keep the tax money spenders within the available fund.

Eternal vigilance will always be the price of liberty.

Balancing the Budget with Stamps

By GEO. M. FOWLDS

IN A tax-ridden world it is of interest to hear of a place which lacks the alleged civilised advantages of taxes, tariffs, quotas and embargoes on trade, a national debt or a goal. Such a fortunate little land is the lonely island of Pitcairn in the eastern Pacific. Further, this small community of 110 souls, whose local funds prior to the war amounted to £50, mainly from the interest of stamp collectors overseas, has suddenly found itself with a credit of £40,000. While a few countries have assisted their finances by frequent changes in stamp designs, which many philatelists regard as a bit of a racket, this is probably the first occasion on which a community has been able to meet the whole costs of government and still have a very substantial credit in the bank. This will enable the islanders to have for the first time, a resident doctor and a full time schoolmaster, though it is interesting to record that Pitcairn claims to be the first place which adopted compulsory education.

For over a century Pitcairn Island has attracted world wide interest because of its association with the mutiny on the "Bounty" in 1789. After what was probably the most dramatic event in British maritime history, Fletcher Christian and his companions sailed away from the avenging arm of the English Admiralty to apparent oblivion. It was nineteen years after the mutiny, before the world was startled by the news of the discovery of their hideout by an American whaler. The inhabitants of Pitcairn Island today are the descendants of Fletcher Christian's party of eight Europeans and their Tahitian wives. The first decade of the settlement was accompanied by a train of treachery, drunkenness, debauchery and murder. So that at the beginning of the Nineteenth Century, of

the eight Europeans and eight Tahitian males, only John Adams remained alive. Along with Young, his last companion, they were the only mutineers to die peacefully in their beds. As the first teacher, preacher and law-giver, he was the means of turning the people of this sin-drenched isle to a better way of life so that eventually it became probably the most Christian-living community in the Pacific.

Because of his remarkable work, Adams was the only one of the mutineers, on whom the British Government could have, but did not lay its hands, to stand trial for his part in this, the most serious crime in the naval code. Carved on the stone over his grave are the poignant words, "In Hope," and this is stated to have been sent out by Queen Victoria. For the first hundred years, the islanders observed the Church of England form of worship, but following a visit in the 80's of the last century by a Seventh Day Adventist from the U. S. A., the people embraced this faith. One result of the change was that having to adopt a vegetarian diet, involved the killing of the island's stock of pigs, to be followed by a hectic week or two of roast pork. In order to protect this unique community from undesirable influences, no strangers are allowed to land on the island without the consent of the High Commissioner from the Western Pacific at Suva, Fiji, who obtains permission by radio from the magistrates.

Though the land is communally owned, the gardens are individually worked. When anyone commits a violation of the local ordinances, the punishment is usually a day's labour on the island road, but arrangements are made for offenders to work on the same day, when the whole population goes out and makes a picnic of it.

What Do You Mean by the State?

By HIRAM B. LOOMIS

PRESIDENT WILSON wrote a book called *The State*. It was well received, and I take for granted that he used the term in the sense in which it is generally understood.

Henry Thoreau, who has a high reputation as a social philosopher, attacked the State in "Civil Disobedience," an essay greatly admired by Tolstoy and Gandhi. I admire Thoreau as a citizen who went to jail for refusing to pay taxes, though I think the act itself was foolish. In spite of this admiration, the philosophy of "Civil Disobedience" is not mine. Either Thoreau had a different idea of the State from President Wilson, or he was very careless in his statements.

What then was Thoreau's idea? In "Civil Disobedience" we find this statement: Thus the State never intentionally confronts a man's sense, intellectual or moral, but only his body, his senses. It is not armed with superior wit or honesty, but with superior physical strength.

Surprisingly enough, several important acts listed below (which I regard as acts of a State) would all have been ruled out by Thoreau's one word—*never*.

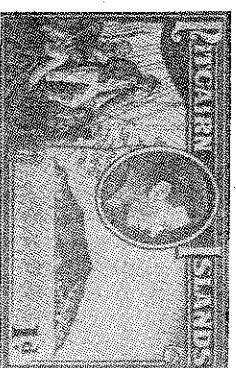
1. The Declaration of Independence.
2. The first ten amendments to the Constitution.
3. Adoption of our decimal system of currency.

4. Legislation establishing the Northwest Territory.
5. Establishment of our Coast and Geodetic Survey (charts and lighthouses for navigation—location of principal meridian and survey of most of the United States into townships).

6. Establishment of National Observatory which prepares and publishes the Nautical Almanac for navigators and astronomers.

I leave it to you—were these acts of the State? If not, what was the nature of the body enacting them?

If our objective is to convey plausible ideas we must use words in the sense in which they are commonly used. Those who take a different view of the State from that of President Wilson, will need to draw a sharp distinction between the State that seems to do nothing but the bad, and whatever it is that does the good things that are done, not by individuals, but by groups.



Recently Pitcairn Island was selected as a convalescent station for alumnini; reports *The Wall Street Journal*. The company expected to pay its supervisor the same salary he would receive at home, but after consultation with British authorities \$5 a year was agreed upon. The overseer, top official of the island is paid \$65 a year.

The Pitcairn stamp was loaned for reproduction by Bradford Greene, Philatelist, of New York.

The Forthcoming International Conference

The following announcement appeared in *Land & Liberty* published in London. Mr. and Mrs. J. Rupert Mason have signified their intention of joining the conference abroad. Because reservations must be made well in advance, we should like to hear of others who expect to go.

PLAN YOUR next year's summer vacation so that part of it will be spent at "The Hayes," Swanwick, Derbyshire, England, during the week, August 14th to 21st, as member of the International Union which in those delightful surroundings and in that week holds the Seventh International Conference to Promote Land Value Taxation and Free Trade.

"The Hayes," a spacious mansion with adjoining hostel and extensive grounds, is one of the most sought-after places in England for Conference purposes, offering as it does the advantages of a centre where those engaged in a common cause can at the same time enjoy a holiday together.

The terms for board and lodging are on a moderate scale and (subject to any material change in the level of prices) are as follows: Seven days' stay, £5 10s.; six days, £5; five days, £4 10s.; four days, £3 15s.; three days or less, £1 per day. This is for accommodation in the main building and the hostel in single and double bedrooms and bedrooms with three or four sharing. Accommodation under camp conditions (in well-appointed huts) is available at cheaper rates and will be quoted if special application is made.

Already, the announcement of the Conference in our previous issue has brought numerous responses. Besides the many in the United Kingdom who have enrolled (or intimated their intention of joining) correspondents in the United States, Canada, New Zealand, Denmark, Norway, Holland, Belgium and France have named themselves or their associates as coming to England for the occasion.

Conditions attaching to membership of the Conference are—due enrollment as member of the International Union for Land Value Taxation and Free Trade, accepting and approving its objects and having paid the annual membership fee of 5s. or \$1; also payment, any time before August, 1949, of the special Conference fee of £1 towards meeting the general expenses of the Conference.

As the accommodation at "The Hayes" is of course not unlimited, it is important that early reservation be made. Address communications to: The International Union, 4 Great Smith Street, London, S. W. 1.

Problems o

(Continued from Page One)
He came to California a protectionist, or as he himself put it: "I supposed I was, for, without real examination, I had accepted the belief, as in the first place we all accept our beliefs, on the authority of others.²

His protectionist errors were, as one might suspect, part of the intellectual baggage he brought with him from Pennsylvania. He said that he was converted to free trade by hearing "the protective theory elaborately expounded by an able man." Perhaps the moral of this incident is that protectionists should never indulge in public debate, for there is no telling when an intelligent young person of George's caliber might be in the audience.

It is to be noted that he became a free trader, as he became a land reformer, by applying to the problem the very highest of ethical principles. These principles he stated as follows: "Religion and experience alike teach us that the highest good of each is to be sought in the good of others; that the true interests of men are harmonious, not antagonistic. . . . The protective theory, on the other hand, implies the opposition of national interests; that the gain of one people is the loss of others . . . it inculcates a warfare of restrictions and prohibitions and seizures, which differs in weapons, but not in spirit, from that warfare which sinks ships and burns cities.³

To put the tariff controversy on this high plane is to lift it up from the low levels of discussion usually present in Congressional Committee rooms. There, as like as not, some California pressure group will be insisting that if the impoverished Greeks are permitted to sell more olives and nuts in the United States, our Republic will be endangered! Or the American shipping companies will be there, this time vigorously supported by the sea-faring unions, to protest the proposed loan of some of our idle shipping to the countries of Western Europe, so that they might carry away some of the relief supplies we are giving them, and thus reduce the cost to the American taxpayer.

Those who take such a selfish and worm's eye view of world trade may perhaps be excused if they fail to pitch their protectionist arguments at the level to which George raised any dispute in which he participated. Some protectionists are so blinded by self-interest that they are quite incapable of thinking in terms of the public welfare. They are perhaps more to be pitied than condemned, but it is difficult to tolerate fools and knaves gladly, particularly when they add hypocrisy to their vices.

The cause of free trade will be forever indebted to Henry George because of the courage he displayed in his advocacy of it. In his day as in ours, many who really believed in free trade wanted to "talk it down." They preferred to be known as "tariff reformers," and professed to be content with tariff reductions. This mealy-mouth approach was anathema to such a simple and honest man as Henry George. He knew that there was no argument ever advanced for reducing a tariff by 50 per cent that could not be used to urge its reduction by 100 per cent.

In the Garfield-Hancock campaign, the Democratic Party sought to capitalize on his eloquence by having him speak on the tariff, but one experience with the forthright George was enough. He told the audience that he had heard of high-tariff Democrats and low-tariff Democrats, but he was a no-tariff Democrat who

wanted "to sweep away the customs-houses and custom-house officers and have free trade." He was never asked to speak again. Politicians, then as now, feared nothing so much as frankness. They preferred speakers who, like their party platforms, could mean all things to all men. With that kind of politician, George could have no truck.

How goes the battle for free trade since George's time? On balance, one must say it has gone badly. The beneficiaries of tariffs first won large support from their employees, and then were joined by farmers who were reluctant to see industrialists and their high paid workers get all the favors which government had to bestow.

Since many of these farmers grew crops such as corn, wheat and cotton, that were not imported, they could not be benefited by straight, old-fashioned protective duties. They therefore demanded, and got, a system of subsidy payments, "price support" programs, and permission to enter into monopolistic "marketing agreements," by which they have been able to keep the prices of many of our farm crops above the world level. To cap this folly, we have had to employ protective tariffs and import quotas to prevent the re-importation of certain of our farm products, previously "dumped" abroad by means of export bounties paid from the federal treasury.

The leaders of the American farm organizations have thus obtained for farmers the double-barreled privilege of raiding the Treasury, and at the same time exacting monopoly prices from the defenseless consumers. In this they have been aided by vote-hungry politicians of both major parties. Nor should we forget that, beginning with the Great Depression, our Ship of State has been loaded to the Plimsoll line with planners, collectivists and other advocates of state intervention. Such people are hostile to all forms of economic freedom, and particularly to the freedom of international trade.

With our entrance into the late war, state planning was intensified and the protectionist subsidy favors given to farmers have all been

retained. Thus far the farm bloc has been victorious all along the line, even to the point of retaining the laws which, in fact, require housewives to color their own margarine if they resort to the unpatriotic practice of using it. Perhaps the furor over the cost of living will prompt the Congress to temper somewhat the existing protectionist subsidy system, but it would be naive to expect politicians to act from other than political motives until after the elections.

There is however one factor in the protectionist controversy that has been completely changed since George's time. Our receipts from customs duties are now such a small part of the revenue of our federal government, that their abolition would raise no serious fiscal problems. So long as customs revenues were an important item in the federal budget, free traders were logically forced to suggest alternative revenues if protection was to be abandoned. The awe-inspiring system of taxes now employed by the federal government has relieved free traders of that unpleasant task. Of the estimated budget receipts for the fiscal year 1949, totalling \$44,477 millions, only \$378 millions or less than 1 per cent are anticipated from the yield of customs duties.⁴ The abolition of customs duties can now be considered on its merits, and almost without regard to possible effects on federal revenues.

The present advocates of free trade have another advantage which George did not enjoy, in that the United States is now, economically, the undisputed colossus of the world. How much of that is due to the war losses of our former rivals, and how much to our own free enterprise system, each must determine for himself. The fact remains that our production is so great, and foreign production so small, that we

⁴ The Budget of the United States Government for the Fiscal Year Ending June 30, 1949, Table 6, P. A-11.



"Furthermore, the Full-Employment Bill threatens to deprive every man of his God-given right not to work!"

² *Ibid*, Ch. IV.
³ *Ibid*, Ch. IV.

Our Time

are forced to make loans and grants to friendly nations to keep their peoples alive.

Under such circumstances, to reduce their sales to us by retaining our protective duties is to establish a world's record for governmental stupidity. In effect, we are saying to the peoples of Western Europe, that we do not want to accept their products in *exchange* for ours, but would prefer to *give* them ours, with no *quid pro quo* whatsoever. Loans and grants to the Western European nations are quite in order, but we should first permit them to acquire all the dollars they can by *selling* to us, before we start giving our dollars away. Until we demonstrate that much common sense, we shall be known more for our possession of the atom bomb than for economic statesmanship.

Because of the unusual conditions now prevailing in the world it might be well if the followers of Henry George should redouble their efforts in behalf of free trade, a cause to which he gave so much of his time and energy. In this campaign they would have the aid and sympathy of groups that were either hostile or non-existent in his day.

Most of the professional economists of George's generation thought as little of him as he did of them, which is saying a good deal, but they are now, almost without exception, convinced believers in the free trading system. In addition, the many low-cost producers in the United States are now more aware that to restrict imports means to restrict their exports, on which they must depend if they are to continue to operate at profitable levels. Their voices, for the first time, are beginning to be heard in the land, and more important so far as immediate results are concerned, in the halls of Congress.

Moreover, it must now be apparent that George's free trade objective is much nearer attainment than the socialization of rent. Success in the latter field will require prolonged educational efforts at all levels of government. With our political system, it is administratively difficult for the federal government to appropriate the site value of land, even if the needs of the federal government were given priority over the needs of the states and their political subdivisions. For this reason, campaigns to socialize economic rent must be carried on in each of the states and in hundreds of communities. This will require much time.

On the other hand, it is always possible that a free trade victory may be won by a single stroke. Here we have to deal, not with forty-eight legislatures, but with the Congress. It could eliminate at any time, all protectionist restrictions, root and branch, and the international situation could not possibly be more favorable to such a course of action. We are now pressing the countries of Western Europe to lower or remove their tariff barriers which obstruct mutual trade between them. With how much better grace could we give this advice if we should abolish our own protective duties and come out boldly for complete commercial freedom!

There is much talk of this being a time for greatness, by which we generally mean a time when *foreign* governments and *foreign* statesmen should show *their* greatness by measuring up to what Churchill has called, "the level of events." I submit that in the field of commercial policy, they are more apt to do so if we ourselves set an inspiring example. There is no ac-

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Chairman of the Department of Economics and Sociology at Mills College, Oakland; has written extensively in the fields of economics, sociology and political science. This lecture at a Henry George Dinner in Los Angeles was also published in "Vital Speeches of the Day."

tion our government could take which would have such far reaching and beneficial results as the dramatic termination of our protectionist policy. Here indeed would be another "shot heard 'round the world" which would encourage the friends of freedom everywhere.

The economic recovery of the world is now bogged down in a mire of protective duties, import quotas, exchange control, price fixing and the allocation of raw materials. In many countries government intervention has gone so far that only the most resolute action will save them from the final descent into the misery and mud-dle of a police state regime. George said that none of his proposals were panaceas for the world's ills, but that freedom was. In the present tug of war between freedom and totalitarianism we might turn the tide by sweeping away every obstacle to the freedom of trade for which we are responsible.

Henry George and Labor

The well-being of the wage worker was another matter in which George was deeply interested.

If he were alive today, what would he think of the workers' efforts to improve their lot through the economic power of their trade unions? He always sympathized with every aspiration of the workers, and when he was a candidate for office, he almost invariably received trade union support. On the other hand, he never had much faith in either their ideals or the methods of trade unionism. In his *Protection or Free Trade*, he put it as follows:

"The first attempts of working-men to improve their conditions are by combining to demand higher wages of their direct employers. Something can be done in this way for those within such organizations; but it is after all very little. For a trades-union can only artificially lessen competition within the trade; it cannot affect the general conditions which force men into bitter competition with each other for the opportunity to gain a living."⁵

There is little reason to doubt that he thought of trade unions only as makeshift devices, to be justified, if at all, only so long as men were denied equal rights to the earth, and equal access to it. His mature opinion (1886) was expressed as follows:

"But where the natural rights of all are secured, then competition, acting on every hand—between employers as between employed; between buyers as between sellers—can injure no one. On the contrary it becomes the most simple, most extensive, most elastic, and most refined system cooperation."⁶

George could not fail to see that unions were pressure groups, designed to give their members a monopoly price for their services, and, if they believed the occasion warranted it, to restrict the personal freedom of workers and customers of firms against which strikes had been de-

clared. The exercise of such power violates every concept of freedom and equality to which he dedicated his life. Henry George, with his emphasis on justice, could have had little sympathy for the "business unionism" of today. Its leaders are too ready to exact their pound of flesh, without regard to consequences. So long as unionists could pretend that the increased wages which they got by the exercise of pressure, came exclusively from the profits of their employers, they had considerable public support, and presumably, had clearer consciences, insofar as they were equipped with such encumbrances. But the pretense that wages are paid, ultimately, by anyone other than the consumers of the goods and services which unionists produce—that pretense is wearing pretty thin.

The recent practice of announcing wage increases and price increases to be effective on the same day should serve to open the eyes of those who have long permitted their sympathies to impair their vision. When the pressure of certain trade unions enables them to receive, in the California vernacular, more "ham and eggs," the effects will be seen, not at the breakfast tables of their employers, but at the tables of those living on fixed incomes, retired people, unorganized workers, or even trade unionists in industries where union pressure is less effective. These relatively defenseless people are the ones who will get less because the aggressive unionists get more.

Despite George's advice to the workers that they concentrate on what he called their "natural rights," they have instead chosen to exert their monopoly power as a means of obtaining higher wages. As a result, wage rates, which are the price of labor and should, like all prices, be arrived at through the peaceful processes of a free market, are now the result of power contests. Our market places have been transformed into economic battlefields on which the armies of Labor and Capital bluff, bluster and brawl. At any time their struggles may halt our entire economy, and their agreements may be equally fatal, for then the consumer is sure to be gouged.

In some cases trade unions have gone so far that they find themselves in conflict, not with their employers, but with the United States of America. I am no red-baiter nor patriotizer, but I can predict, with all confidence, that when a labor dispute takes this form, the U. S. A. will win every time. The policies pursued by many union leaders are not only bringing them into conflict with the strongest government in the world, but are also losing them a large measure of public sympathy. In the opinion of many of our citizens, the once weak unions, formerly regarded as rather ineffective supporters of the underdog, have been transformed into giants, whose activities are a menace to our social and economic order.

As American trade unionists approach the end of the road down which their leaders have misled them, they would do well to abandon the monopoly device on which they have relied, and concentrate on the economic reforms which George advocated. By so doing they would win the support of most men of good will, whatever their place in our economy. The workers of this and every country have many legitimate grievances, but monopolistic wage-fixing is not the appropriate remedy for any of them.

For example, each worker has the right to an

⁵ *Ibid.*, ch. XXVIII.

⁶ *Ibid.*, ch. XXVIII.

(Continued on Page Eight, Col. One)

Letters—Public Ownership vs. Private Industry

In the September issue of *The Henry George News*, Gilbert M. Tucker asks the question, "Shall We Soak the Utilities?" He states the fact that certain businesses like gas and electric companies are necessarily monopolies and that the Henry George answer was that the best way to control them was through public ownership. I am thoroughly convinced that George was right. Boards of control have pretty much always shown themselves to be under the control of the monopolies that they are supposed to regulate. Companies holding franchises feel that they must protect themselves and so they go in to politics to see that the men who appoint these regulating commissions are favorable to their interests. Great lobbies are employed, newspapers and magazines are subsidized through advertising, speakers are furnished for service clubs, etc.

Those countries that have public ownership of such monopolies have found it the best answer as to what we should do. I would cite the Scandinavian countries as having good results. Public ownership should be accompanied by a democratic government so that it can be modified or abandoned at the will of the electorate. Public ownership in Russia seems far from socialist. It is government ownership and the government is not representative of the people.

As to the question of taxing privately-owned utilities, the answer is that they have a monopoly on a necessity which makes it especially easy to pass on their taxes to the consumer. Publicly-

owned utilities producing revenue should be taxed the same as private companies. Taxes to maintain schools, cities, counties and states should have their part of the revenue alike under public and private ownership.

In a recent yearly statement by the city of Winnipeg you will find that they are supplying their citizens with electric current at an average of less than one cent the kilowatt-hour and their rate for heating and cooking is much less than that. Low electric rates are necessary for efficiency and for the comforts of life. It is unfortunate that most of these companies think it is necessary to maintain high rates to obtain good profits. They leave out the factor of volume of business. Electric current can be made to serve all classes of people cheaper and better for heat, light and power than through other media. Of course, any taxes levied will have to be paid by the consumer, but that is true of any other business. Any company having a monopoly of anything as necessary as gas, water, or electricity, can absorb or pass on their taxes much more easily than one who has open competition to cope with.

Henry George was right. Business that cannot be made competitive should be taken over by the public. The experience of many of our communities has proved the wisdom of this.

M. M. SINTON,
Colorado Springs.

Opinion as to the better method of handling the "utilities" question depends largely on the basic facts obtainable and on one's own experience and contacts. Quite possibly in Colorado, where politics are pure and unsullied, public ownership may be the answer but I cannot see it in the effete East. Here in the capital of New York State, politics are not always of pristine purity.

My mind goes back to the misrepresentation indulged in years ago by a governor, conspicuous more for vote getting than for integrity. Weighted comparisons of rates were handed out as an argument for public ownership. With no effort to make a full statement of the case, isolated instances of exceptional rates were dipped out as one folks the mushrooms out of a stew. These were compared and held up to show how good was the dish of public ownership! Public ownership of the electric service was urged in my own county of Albany on the shabby plea that we would have lower rates for, while the private company was contributing hundreds of thousands of dollars a year to the public treasury in taxation, a publicly owned company would pay no taxes!

What Mr. Sinton says about pressure by private industry is doubtless true but how about the advocates of public ownership? Do they have nothing to say? Generally it is the demagogue who is the most vocal, and I see nothing creditable in private enterprise seeking fair representation of their side of the controversy or in stating their side of the case in advertising. I flatly disagree with Mr. Sinton when he implies that regulative bodies are often prostituted and corrupted in the interests of private business, for I believe the politician making a demagogic appeal is more often the offender. He generally stops at nothing and has little hesitancy in "packing" commissions.

If all the workers in the great "utilities" category (railroads, communication companies,

electric, gas and traction enterprises) were the direct employees of government, with wages, hours, pensions, and conditions of employment dependent upon bureaucrats, who in turn are dependent upon voters; we would have the makings of a political corruption which would make like a sweet-smelling canker at Washington look like a sweet-smelling rose. Surely the methods of the WPA are not encouraging nor are the accounting methods of the TVA; and the frequent shifts of position, objectives and argument are not inspiring to confidence. We have already had many a bitter lesson in what a solidly organized group can accomplish by using their voting power to secure pensions, bonuses, political and employment preferment and other advantages, but this is as nothing in comparison to what these millions of workers could do.

I am not much interested in detailed comparisons with other lands, nor even in comparisons between cities at home, for conditions vary so widely that comparison is often impossible and all kinds of technical points must enter into consideration. But I have done considerable travelling on four continents and I am sure that the services of the private companies in America are far superior to what is found in lands where there is public ownership. A spirit generally underlies private business very different from that encountered in politics, where advancement and even a job depend on considerations other than capability and efficiency. I know too that service here has steadily improved and that, in spite of inflation, rates have declined, and would have fallen far more rapidly had not costs been persistently inflated by iniquitous taxation, nation, state and local.

Properly administered, either public ownership or adequate regulation would give service at fair rates, so perhaps the question really boils down to which plan would be the most efficient, economical and conducive to progress. To that, basing my opinion on the experience of a lifetime spent in a great capital city and years of state service, I see only one answer. Things may be different in Colorado, but I believe that the condition in New York State is fairly typical of conditions generally—typical, or perhaps better than the average.

Our emphasis must be on the fundamental truth that the value which attaches to public franchises belongs to the people and of it they must never be deploiled. Why not recognize that either public ownership or proper regulation may be sound and that neither is inconsistent with our principles, and leave the choice of the exact method to be followed to the eclectic judgment of the truth-seeking neophyte? Such a course will at least keep us from being aligned with Socialists. I think, however, that honesty must compel us to recognize that (1) public ownership is essentially socialistic, and (2) that, despite all quibbling, socialism and communism are first cousins if not brothers.

Even Russia is the Union of Soviet *Socialist* Republics and always and inevitably, sooner or later, Tweedledum becomes indistinguishable from Tweedledee! With this in mind, and to keep our philosophy from associations which I utterly distrust, I would much prefer that the Georgist reader accept the path of freedom rather than the bonds of socialism. But it is ours to choose and it is all a matter of opinion.

GILBERT M. TUCKER,
Albany, New York

Statement of the ownership, management, circulation, etc., required by the Act of Congress of August 24, 1912, as amended by the Acts of March 3, 1933, and July 2, 1946, of Henry George News (Continuing The Freeman) published monthly at New York, N. Y., for October 1, 1948.

State of New York, County of New York, ss.
Before me, a Notary Public in and for the State and county aforesaid, personally appeared Alice Elizabeth Davis, who, having been duly sworn according to law, deposes and says that she is the editor of the Henry George News, and that the following is, to the best of her knowledge and belief, a true statement of the ownership, management, circulation, etc., of the aforesaid publication for the date shown in the above caption, required by the act of August 24, 1912, as amended by the acts of March 3, 1933, and July 2, 1946 (section 657, Postal Laws and Regulations), printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher: Henry George School of Social Science, 50 E. 69th St., New York 21, N. Y.
Editor: Alice Elizabeth Davis, 50 E. 69th St., New York 21, N. Y.

Publication Committee: Lancaster M. Greene, chairman; Otto K. Dorn, and William S. O'Connor, 50 E. 69th St., New York 21, N. Y.

2. That the owner is:

Henry George School of Social Science.

John C. Lathrop, President.

Otto K. Dorn, Vice-President and Secretary.

Leonard T. Becker, Treasurer.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)
None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and that affiant has no reason to believe that any other person, association, or corporation has any interest, direct or indirect in the said stocks, bonds, or other securities than as so stated by her.

Alice Elizabeth Davis,

Editor.

Sworn to and subscribed before me this 26th day of September, 1948. ANDREW THOMAS DEGAN,
Notary Public in the State of New York. My commission expires March 30, 1950.

Archie Matteson, New Boston Secretary, Reports

THE HUB of the Baseball Universe, host to both a pennant playoff and world series during the week classes opened, demonstrated anew its wide intellectual capacity when opening class attendances at the Henry George School topped 200.

Although this figure compares favorably with 121 in the fall of 1947, nobody on the Beantown staff is doing any bragging. "We'd have done better," declared Sanford Farkas, Director, "if we hadn't been saddled with a foreigner."

"This fellow Archie Matteson is all right in his way," he went on, "but we had to drop everything we were doing and teach him how to talk the language."

Despite these difficulties, there are 17 classes under way in Boston and the surrounding towns of Brookline, Cambridge, Gloucester, Hingham, Medford, Newtonville, Quincy, Woburn, and Worcester, as compared with seven classes a year ago. And it's all being done with a broad A, except for one of the advanced classes in international trade.

Under the inspired and inspiring teaching of Lidia Alkalay, students are meeting on Tuesdays in the shadow of the Old South Church to argue points raised in *Protection or Free Trade*. Miss Alkalay arrived in New York from Yugoslavia ten scant months ago with about as many English words in her vocabulary, and was proselytized her first day ashore by a fellow-countryman who had attended the New York school. The first thing she saw in a Boston newspaper upon her arrival here a few days later was a school advertisement. "I felt I was surrounded by the thing," she confessed the other day, "so I just decided to give in gracefully."

A canvass of every name on the mailing list, shortly to be undertaken, is expected to swell the moderate-sized coffers of the extension and to provide funds for continued growth. Plans are being worked up under the supervision of Trustees Lurio and Sturgis, and will be described in more detail next month.

The Boston extension is exceedingly sorry to report the untimely death of one of its best loved and most faithful faculty members. Gordon C. McLaren of Brookline was a devoted teacher whose passing was a shocking blow. His quiet and straightforward manner, devoted modesty, and superior teaching skill were of incalculable value to the school. All here feel his loss most keenly.

—A. C. MATTESON, JR.,

Executive Secretary

Chicago

A "full-house" audience at the first Commerce and Industry Luncheon in the school's 15th year, heard Harvey S. Perloff, associate professor of the social sciences at the University of Chicago, answer affirmatively the question, "Is Economic Planning Compatible with Individual Freedom?" Mr. Perloff is co-author with Alvin Hansen of *State and Local Finance in the National Economy*. Following his talk, Mr. Perloff joined with W. W. Kester, consulting economist; Herman F. Mann, manufacturer's representative; and Lester E. Perry, manufacturer—in further discussion of the subject. Charles B. Tuttle, president of Junior Achievement of Chicago, was chairman. Copies of notes reporting the session, prepared by William McCormick Lundberg are available on request at headquarters, 236 N. Clark Street.

Chicago's first Commerce and Industry Bus Tour—"a laboratory lesson in economics"—was conducted for 40 executives on October 24th. The school's tourmaster, W. W. Kester, used one of the Gray Line glass-topped sightseeing buses with sound equipment. He pointed out the highly productive Loop area, and blighted areas to the south, a 160-acre railroad farm, a million-dollar hole, the two South LaSalle Streets, and Chicago's "economic barometer." Why are skyscrapers and "taxpayers" side by side with sites worth millions vacant or under-improved, the surprised "econo-tourists" wanted to know, and, what makes some land sell for more than 10 million dollars an acre . . .

The motto for the school's ever expanding and enthusiastically received bus tours is "See Chicago First."

A totally non-complacent faculty met at the first general luncheon on September 28th to discuss how best to teach the non-complacent students who were already enrolling by mail and telephone in the 41 basic classes and 12 advanced classes which opened the week of October 4th. Edwin Phelps, Wilmette instructor since first studying with the school in 1941, led a panel composed of Sidney J. Be-Hannesty, who is preparing to teach in the winter term, and veteran teachers, Attilio Forte, Herman F. Mann and Benjamin J. Russell.

A scholarly and fundamental treatment of the age-old question—how free should man be—was given by Edwin Hamilton, lawyer, at the second general school luncheon on October 24th. His topic was "Man and Law." Florence A. Johnson made her initial appearance on a school program by serving as chairman.

On November 4th, when the classes will be on the fifth lesson, students and graduates on the Northwest Side will meet at the Portage Park Field House to hear and see Mrs. Henry J. West's chalk-talk on "The Story of the Savannah."

Graduates on the Southeast Side opened their 1948-49 session with a slide lecture by Mrs. Belle T. Daiches on "Economics for Everybody." The following month this group met in the home of Mr. and Mrs. James H. Teller and heard Mrs. Marion M. Pierce review *The Self-Supporting City* by Gilbert M. Tucker.

Rogers Park graduates indulged in a "stump the experts" program at their first community-area meeting at the home of Mr. and Mrs. Howard W. L'Hommedieu. The Information Pleasers were: Chester K. Martin, Cecil Cowherd and Hugh Burdick.

Time to think about Christmas! Dorothy Olcott forgot to mention whether mail orders were acceptable, but the annual Christmas bazaar of the Henry George Woman's Club will be held on December 4th at school headquarters. Art objects, books, fancy goods, food and refreshments will be offered by this enterprising group. A Philco Radio Transistor will be raffled off at 9:40 P. M. and the entire proceeds will be turned over to the school. Last year \$300 raised in this way provided an addressograph machine. Mrs. George Menninger and Mrs. Edward Goedde, the bazaar chairmen, extend a cordial invitation to Georgists and their friends.

St. Louis

Although Noah Alper reneged this month, our faithful auntie sent us a clipping from the St. Louis Post-Dispatch showing all Henry George classes—a truly formidable list. We also learned that "special business men's noonday classes" are being held at school headquarters on Tuesdays, and on Wednesdays at the Claridge Hotel. What won't those St. Louis Georgists think of?

California

"Mr. Henry George is among the enrollees of the class at Muir Junior High School," writes William B. Truehart, and adds, "We remember that Henry Tideman of Chicago used to mail announcements to all the Henry Georges in the telephone book, until one of them finally enrolled, graduated and became an instructor. We refuse to be outdone by Chicago!"

Los Angeles has 222 students in 15 basic classes, a substantial increase over the last two terms . . . San Diego reports 110 students in seven basic classes and ten enrolled for the "Science of Political Economy."

Ohio

A meeting of the Cincinnati faculty was held recently in the Avondale Library. Harry Kuck, Carl and Dale Galey, Ed Alexander, W. F. Somerville, John Andrews, Carl Strack, Beulah

(Continued on Page Eight)

How I First Became Interested in Henry George

It was in the winter of 1894, I think. I was in Toronto, Ontario. A friend, Mr. George Bryan, came to me on the street and asked me to go with him to a meeting where "the Philadelphia Cyclone," Mr. Herman V. Hetzel of Philadelphia was to speak. I reluctantly went along. It was a small hall and about 60 to 75 people there.

Finally Mr. Hetzel was introduced and it was not long till I realized why he was called the "Philadelphia Cyclone." He outlined the great philosophy very eloquently. An old Scotchman asked, "What about the poor widow with a vacant lot adjoining a beautiful high priced residence?" This he answered in terms most convincing.

I bought a copy of the *Irish Land Question* for ten cents and when I reached home about midnight, I sat down with my overcoat on and read it through, almost till daylight.

I ordered *Progress and Poverty* the next day from a bookseller and read it and reread it. Since that time it has been my religion and my basis for my life's conduct, longing for the glory of its consummation. Henry George was sent, I believe, to open the way for the millennium.

MATTHEW RAMAGE,

1301 Mass. Ave., N. W.
Washington, D. C.

Problems of Our Time

(Continued from Page Five)

equal share in the annual value of the good earth, but that right he has, not as a unionist or wage worker, but as a man. He has too a right to move about at will, and to work on such terms as are to him agreeable. However, such trade union practices as high initiation fees, racial discrimination, and limitation of membership, frequently deprive him of these rights.

Moreover, each worker, as indeed every adult not in need of a guardian, has the right to buy products originating in any part of our "one world," without paying penalties in the form of customs duties, and without paying the artificially high prices which such duties enable domestic producers to charge him.

Equal Educational Opportunity

We have also recognized the right of all workers, as well as others, to a free education in public schools and colleges. I wish that this right might be extended, so that able students, whatever the financial condition of themselves or their families, might pursue their studies for as long as they demonstrate the capacity and the will to profit by them. By this I mean that, for such superior students, not only would instruction be free, but that they would receive a stipend which would enable them to live while profiting from this instruction. Higher education at public expense should increasingly go to those who can best profit from it rather than to those whose parents can best afford it. This is the kind of freedom, and equality of opportunity, which workers and their children should enjoy. Superior intellectual gifts are always in short supply, and they should never be wasted because gifted students and their families are too poor to develop them to the fullest.

Nor, in my judgment, need such a program impose too great a financial burden on the public. By raising the entrance requirements so as to exclude students who have little to recommend them but the bank accounts of their fathers, the cost of maintaining our higher institutions of learning could be kept well within the limits of the public's ability to pay them. What we as a society cannot afford is the waste of intellectual ability which results when gifted young men and women cannot continue their studies merely because their families are poor.

Nor should we ever fall into the popular error of assuming that serious study should end when young people leave the class room. As a veteran teacher let me assure you that the human intellect is at best, a device of restricted utility. It needs a very careful nurturing indeed, and the development of it should continue until senility is so plainly evident that we must, perforce, abandon our efforts.

Woodrow Wilson once said—to the wrath of the Princeton alumni—that the proper aim of a university is to make a son as unlike his father as possible. You may be assured that four years is much too brief a time to accomplish that commendable task. For this reason the work which the Henry George Schools are carrying on is to be highly commended. Man's struggle for enlightenment calls for continuous effort on the part of each and every one of us. I must conclude by congratulating all of you on your recognition of that fact. May your tribe increase, may your efforts prove fruitful, and may you, along the way, experience the imperishable delight of acquiring new knowledge and wisdom.

Land Values and Wages

By JOHN C. LINCOLN

[Mr. Lincoln, President of the Henry George School, is interested in presenting the principles of Henry George to working men and unions in a way that they will understand. He believes that labor should be taught the right method for raising wages instead of the present erroneous method of striving against capital. To that end he has prepared the following statement and would like to have comments from readers of The Henry George News.]

LAND VALUES are produced by population; by the presence and activity of the community. They arise because the community produces yearly ground rent.

The community collects part of community-created ground rent as a yearly tax on land values, but most of this goes to the landowner. That part of community-created ground rent collected by the landowner, capitalized, is the selling value of land.

The slave owner, as such, did not produce anything. People wanted to be slave-owners because our man-made laws gave the slave-owner the privilege of appropriating what the slave produced. The landowner, as such, does not produce anything. People want to become land-owners because our man-made laws give them the privilege of collecting most of the community ground rent on a particular piece of land.

When the slave owner became a skillful slave manager, he increased production. When the landowner becomes a skillful land-user, he increases production.

The amount of community-created ground rent collected by landowners from land-users is many billions of dollars a year. For instance, all of what a saw-mill in the northwest pays for

timber is ground rent collected by the landowner. Most of what a landowner gets, on whose land there is a producing oil well, is community-created ground rent. When the pressure of population pushes the price of agricultural land to \$200 or \$300 an acre, the tenant farmer has to pay up to one-half of what he produces to pay for the land. When you realize that land on which the skyscrapers of New York and Chicago are built is worth as much as the buildings erected on it, it is not unreasonable to estimate the ground rent collected by landowners at from fifty to one hundred billions of dollars a year.

It is evident that when the high price of land enables the landowner to collect half his crop from the tenant farmer, the tenant farmer's wages are cut in two. If landowners collect from fifty to one hundred billion dollars a year that they do nothing to produce, the rest of the community has to produce from fifty to one hundred billion dollars a year for which they get nothing.

The community pays this fifty to one hundred billion dollars a year in lower wages, high prices and taxes on wealth.

The essence of stealing is getting something for nothing. From a moral standpoint, our man-made laws which permit landowners to collect from fifty to one hundred billion dollars a year, for which they render no service, permits stealing on a gigantic scale. We live in a world in which moral laws are enforced. The penalty inflicted by the moral law for the gigantic stealing which our man-made laws permit, is unemployment, poverty, depressions and war.

School News

(Continued from Page Seven)

Arndt and Verlin Gordon discussed plans for the fall term. One Friday evening a month is being set aside for a faculty meeting to plan activity and discuss current articles in The Henry George News.

Hartford

Ethel L. Stannard reports the installation of a new city manager form of government in Hartford. She states that a year ago she and Mr. Hillman sent copies of the Yale Law Journal reprint (which is still available and very enlightening), also copies of Gilbert M. Tucker's *The Self-Supporting City*, J. Craig Ralston's "What's Wrong with Taxation," and other pamphlets; to all councilmen, with pleasing results. Two Hartford fundamental classes are being taught by Joseph Donnelly and James McNally; and Mrs. Stannard is teaching a trade class.

Newark

The new second edition of *Economics Simplified* is being used in all basic classes in Newark and environs. A number of advanced classes will begin later. The present enrollment is about 120. A number of professional advertising methods were tried by this extension and we suggest that anyone interested write to the director, John T. Tetley, for full information. Colonel Chang of the Chinese army, who is translating *Economics Simplified* into Chinese, spoke at a recent dinner meeting on "China and Henry George." Dr. Geoffrey W. Esty, a trustee

both of the Newark and New York schools, presided.

New York

The Friday Evening Lecture Series began in October with an address by Lancaster M. Greene on the philosophy of the Pueblo Indians. His article on that subject in the April 1948 Henry George News was reprinted in an Indiana newspaper.

Arthur Lea and his family have returned from Europe and he has consented to speak in the school auditorium on Friday Evening, November 12th. "We got out before they got in," was his laconic comment. Mr. Lea visited Georgists in Berlin, also in Belgium and France, and has for several years helped them not only financially, but morally as well.

New York has approximately 700 students in 25 basic classes at headquarters, with six outside classes operating under the kindly egis of one Betty Breese of Syracuse. The incredible Betty took a month's vacation at her own expense and worked as a volunteer in New York to pull this department out of the doldrums.

Many comments have been received since the publication of Dr. Brown's article on the Causation of Interest, and we shall attempt a digest next month. Owing to the usefulness of this paper for teachers and advanced students, we have ordered reprints which are available at no cost.