

# HENRY GEORGE NEWS

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## Justice in the Bible By ROBERT CLANCY

"IN THE beginning God created the heaven and the earth."

These are the most famous opening words in all literature. They introduce us to a work—or collection of works—that has no parallel in history. If another book is spoken of in superlatives it is always as something "next to the Bible."

We cannot overestimate the influence of this book on our civilization. Our morals, our loftiest ideals, are still those of the Bible. Our God is still Jehovah, the Lord God of Israel. And the idea of justice that we revere is not the least of the fruits that have come down to us from this source. As Frederick Verinder puts it, in *My Neighbor's Landmark*: "The concept of justice as the foundation of all law, divine and human, pervades all the teaching of the Law and the Prophets."

"Justice" is one of those sublime words attempts at defining which never seem adequate, never come up to the mere mention of it. It is not once defined in the Bible. Indeed, seldom if ever in that book do we find a definition of any of the vital concepts that mean so much to us. Rather they are brought home to us by precept, by warning, by stories and deeds, by fulfillment. And when these matters are related, we have a more precise knowledge of those concepts than any defining or abstracting could ever give us.

### The Old Testament

"And God blessed them [man and woman], and God said unto them, Be fruitful, and multiply, and replenish the earth, and subdue it." (Gen. 1:28). In the Bible you never get any other impression than that great numbers of people are a good thing, meaning more abundance. A nation is great when numbered as the sands or the stars. Injustice, not over-population, is blamed for misery. From Genesis on, contrast between wealth and want, the oppressors and the oppressed, is constantly pointed out as an evil condition—the evil condition.

In Exodus, the very motive of the Hebrew trek to Canaan is an escape from injustice and oppression, and a quest for justice and freedom. The Ten Commandments are universally recognized as embodying the Law of Justice. What is the essence of these Commandments? A relation of equity between man and man under God. Throughout the remaining chapters of the Pentateuch the children of Israel are constantly reminded what they are escaping from. The "false gods" represent the laws which sanction oppression, injustice, corruption. The true God to which they owe allegiance represents the Law of Justice. Throughout the Bible, the prophets and preachers reiterate this with increasing emphasis and insistence until it becomes their dominant theme.

The 25th chapter of Leviticus is one of the most important chapters in the Bible. Here is laid down what is to be done with the land of Canaan, the Promised Land, once it is entered. Here is the foundation of the economic and social life of the people. "The land shall not be



Moses by MICHELANGELO

sold for ever; for the land is Mine; for ye are strangers and sojourners with Me." From the first chapter of Genesis throughout the Bible it is taught that the earth is the Lord's.

"For what are we but tenants for a day?" asked Henry George. "The Almighty, who created the earth for man and man for the earth, has entailed it upon all the generations of the children of men." And in Leviticus an effort is made to secure to all generations their rights in the land, by the method of the Jubilee year. Every fiftieth year the land was to revert to the families in whose trust it was originally given, no matter through how many hands it may have passed. This was to present the disinheritation of the people and the concentration of land in the hands of a few. That this law was often violated we find much evidence, especially in the denunciations of the later prophets.

The prophets are certainly among the most inspiring phenomena in the Bible. One of the first on record, Nathan, makes his appearance fearlessly denouncing King David for an act of injustice. There were many such injustices, as Samuel, the last and greatest judge, had warned the people there would be if they got the king for which they clamored. But measure for measure, the prophets were on hand, denouncing the oppressors, comforting the oppressed, exhorting the people, and rising higher and higher toward a vision of God. Elijah appears to denounce Ahab and Jezebel for their theft of Naboth's vineyard (1 Kings 21). Isaiah cries against the same sort of crime (Isa. 5:8), and so do the other prophets.

In Isaiah we find a note often sounded by the prophets. "If ye be willing and obedient, ye shall eat the good of the land; but if ye refuse and rebel, ye shall be devoured with the

sword." The Lord is a just God. Things don't just happen; there's a reason. There is cause and effect. And there is responsibility. There is precious little soothsaying and no star-gazing in the Bible. There are very few unconditional prophecies, despite the fact that some look for them in such books as Daniel and Revelation. The great message of the Bible is rather, "If you do thus and so, such and such will result." Let those who would seek escape from responsibility look elsewhere than in the Bible.

Jeremiah is known as the gloomy prophet—but he wasn't unconditional about his pessimism. We find the same "if" philosophy as in Isaiah: "For if ye thoroughly amend your ways and your doings; if ye thoroughly execute judgment between a man and his neighbor . . . then will I cause you to dwell in this place, in the land that I gave to your fathers for ever and ever." (Jer. 7: 5-7).

In Isaiah 58: 4-12 we find another strain of the prophets. They reject, on behalf of the Lord, the formal observances, the surface acceptance, the lip service, when justice and righteousness are not done. In their fierce bursts of wrath against idolatry, the prophets associated such idolatry with forsaking the ways of justice. For the mere ritualistic worship of strange gods could not have meant much more evil to them than the mere ritualistic worship of Jehovah meant good.

The "minor prophets" are so called because their writings are shorter than those of the major prophets. But there is nothing "minor" about their message. To take Micah as an example: "Will the Lord be pleased with thousands of rivers of oil? . . . He hath shewed thee, O man, what is good; and what doth the Lord require of thee but to do justly, and to love mercy, and to walk humbly with thy God?" (Mic. 6: 7-8). Here again is a heartfelt plea for the simple rule of justice. The short book of Micah is a treasure trove, as are those of Hosea and Amos—and these three form a trio quite as inspiring as the three major prophets.

One last glance at the prophets: In Malachi we find a further striving toward the universality of New Testament ideas: "Have we not all one father? Hath not one God created us?"

What is known miscellaneous as "the writings" (everything other than "the law" and "the prophets") comprise a vast variety of material set down over a long period of time. Much of it was written between the period of the return of the Jews from their captivity in Babylon and the time of Christ, though in most cases much older authorship is attributed.

Such books as Proverbs, Ecclesiastes, Ecclesiasticus and Wisdom (the two latter unfortunately termed "apocryphal," except in the Catholic Bible, because they are frankly later writings) represent a more mature sophistication of Hebrew thought. The basic concept of justice is still there but refined and viewed under a variety of aspects. To take Proverbs as an example: "Men do not despise a thief, if he

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## A Word With You

By ROBERT CLANCY

Did it ever occur to you that the term "laissez-faire" is the rightful inheritance of Henry Georgists? This much abused expression was invented by the Physiocrats, our "ancestors." They used it in a very different sense from the way it is spat out by its many opponents today or timidly broached by its few proponents. They used laissez-faire to mean (and didn't its originators have the right to fix its meaning?) let production be carried on without state interference or monopoly, let all have a fair field and no favor. They conceived true laissez-faire as operating under the single tax. It did not mean "let society go to pot," nor did it mean "let those on the top remain undisturbed."

It was not "laissez-faire" that collapsed in 1929. It was, on the contrary, a system that was never free of strangulation of trade, commerce and production, by monopoly and by government. These restrictions caused the collapse. Laissez-faire would end such restrictions.

Laissez-faire is a good expression. Let us be proud of it, and let us help restore to it its true meaning.

It is too bad that so many words like laissez-faire are so often used to mean something so different from their generic meaning.

Well, if words are going to be bandied about to such an extent, I think I have a right to put my oar in, too, so here goes. . . .

I am a "conservative." I want to conserve the good things of our civilization.

I am a "liberal." I think liberality is a good virtue to cultivate.

I am a "progressive." I am for progress.

I am a "radical." I want to go to the root, *radix*, of things.

I am a "reactionary." I react against that which would destroy freedom.

I am an "individualist." I believe in myself as an individual.

I am a "socialist." I believe in myself as a member of society.

I am a "communist." I believe in the community as an association of individuals with equal rights.

I am a "rightist." I want to follow the right road.

I am a "leftist." I want to see the bad things left behind.

I am a "centrist." I believe in central truth, association in equality.

## Gems for Georgists

By NOAH D. ALPER

### Taxpayers?

"YOUR TRANSIT COMPANY IS THE Second Largest Taxpayer to the City of St. Louis," writes our transit company, the St. Louis Public Service Co. They continue: "Yes, our tax bill last year was over \$2,000,000 . . . of which \$1,394,107, or almost \$4000 a day, went to the City of St. Louis. The only source of income from which these taxes may be paid is the FARE BOX!" This was printed on a weekly permit pass in May.

Wouldn't it have been more noble to state: "Your transit company is the second largest tax collector for the City of St. Louis"? They might have added: "We favor the City of St. Louis collecting its own taxes—our business is transportation."

### Tops

A UP dispatch (May 19), New York City, reported a price of \$125 a square foot for land that set a record. Involved was a tiny triangle of land less than four square feet (at Fourteenth Street and Tenth Avenue). Thirty bids starting at \$25 raised it to \$505 to the owner of adjoining property who was evidently on a spot. The city held the land by tax foreclosure.

### Dangerous Radiation

Another excerpt from a AP dispatch (May 20) Washington: "A land boom last year boosted the farm real estate mortgage debt 8 per cent. . . . Likewise, the rising demand and increased prices for farm commodities led farmers to add to their non-real estate debt. They borrowed rather heavily to buy additional machinery and other equipment. . . . The department (Agriculture) estimated 60 per cent of the farms sold last year were credit financed."

### The Scarlet Symptom

St. Louis assessor Joseph P. Sestric reported that since 1945 the number of farms in St. Louis had decreased from 56 to 37. In 1935 there were 124 farms within the city limits. These farms are mostly truck gardens, ranging from 3 to 15 acres, averaging about 6 acres.

The item in The St. Louis Post-Dispatch says: "The farms have been disappearing in recent years as acreage is sold. Increased value of the land for subdivision purposes and the current building activity in the section, Sestric believes, will eliminate all truck gardens soon. He pointed out the land is becoming too valuable even for truck gardening. A recent sale of 10 acres brought \$58,000, or about \$5,800 an acre." The scarlet symptom of a disease deadly to freedom.

### Inflation

"Contributing to the increased dollar amounts of income and product was a 41 per cent drop in the value of the dollar during the decade (1940-49), from \$1 to 59 cents. The declining purchasing power of the dollar is demonstrated by the rise of the consumer price index from 99 in 1939 to 169 in 1949. And the role of the nation's money supply in the inflation is shown in part by the climb of deposits and currency from \$68 billion to \$177 billion."

From Facts and Figures on Government Finance, 1950-51, The Tax Foundation, 30 Rockefeller Plaza, New York 20, N. Y. (\$2.00).

### This FREEDOM!

A St. Louis land dealer had a bill introduced into the Missouri Legislature to "permit and require" an exchange of 350 acres of his land which cost him \$3500 for Missouri State Park land worth \$22,000 or more. A witness said that this, if permitted, would be "one of the biggest steals in the history of the state park system."

### Run Up the Curtain

In a column (Frank Edward, Says.) in the Farmer-Labor News, Modesto, California, we read on June 1: "More Tax Loopholes Voted. . . . The House of Representatives has approved the continuation of the scheme which permits the oil companies to stick 27 per cent of their gross income in their pockets tax free. This is known as a depreciation allowance. Through this booby trap, the wage earners and small business men will pay the taxes which the House permits the oil companies to evade."

This "depreciation allowance" applies to the depletion of the oil deposits found in nature. It arises out of the private capitalization of a value not capital at all—a people's value. Mr. Edwards flirts, however, only with a flicker of an idea. He highlights only one of a multitude of "booby traps" by which wage earners and small business men will pay taxes and more taxes and more taxes. Let us hope one day he will run the curtain all the way up to see what a load of taxes wage earners and big and small business men are really carrying to benefit the title holders of the surface of the earth and its natural contents of natural resources.

## Econo-quiz

By HENRY L. T. TIDEMAN

**Question.** While we may admit that landowners receive unearned increment, so do the owners of other capital goods. Why penalize only the landowners, as the single tax would do?

**Answer.** In that question, the confusion both of idea and of language make it hard to answer it in the space available. One of the most confusing bits of language is the expression "other capital goods."

First: in political economy, capital is not an adjective. It is a noun. The word goods is redundant, having no meaning in the sentence.

Second: land is neither capital nor goods. It is the earth. The scriptural scribe did not write: "In the beginning God created capital." God left the production of capital to man.

Third: it is not proposed to "penalize" anybody. The proposal of Henry George is to abolish all the taxes that penalize men for doing well in production.

Fourth: no landowners exist. There are only landholders. Ownership is one idea, possession is another. For instance; the tenant of a hotel room has possession but ownership rests elsewhere. As such, landholders produce nothing. They merely collect the surplus wealth arising from the social and economic cooperation of others. If these others, acting as a community, levy and collect a tax which resumes possession of this surplus, they deprive the landholders of nothing that belongs to them. They merely take back their own. Such a tax will "penalize" no one, as the taxes that subtract from wages do penalize.

Fifth: as to owners of capital receiving unearned increment; to the extent that such a statement is true, it is due to the competitive advantage of very large accumulations of capital over small. This arises from land monopoly, or often from legal favoritism, such as patents, franchises, public regulation, tariffs and other special privileges.

With land monopoly destroyed by the taxation of land values and the taxation of wages abolished, increased savings would make it possible for many small accumulations of capital to be entered into competition with the large ones. This would tend to reduce the advantage afforded by large capitals.

Competition being more equal, it would automatically mete out more equal reward to all who devote their capital to production, while wages would rise as progress improved the processes of production.

## Justice in the Bible

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steal to satisfy his soul when he is hungry; but if he be found, he shall restore sevenfold . . . There are extenuating circumstances in some acts of "injustice"—a heralding of New Testament leniency; and yet, justice shall be done. The solid virtues are extolled in Proverbs—honest toil, thrift, sensibility. There is no sympathy with poverty due to voluntary idleness: "How long wilt thou sleep, O sluggard? . . . So shall thy poverty come as one that travelleth, and thy want as an armed man." But wealth acquired in any way but honest labor is equally frowned upon: "Better is a little with righteousness than great revenues without right."

These books contain much wisdom. And in them this thought emerges: It is good to have enough. And God's laws are so that all will have enough. It is not good to have too much nor too little, and a perversion of God's laws will result in this.

Always there is association of great luxury and wantonness, and deep poverty, with injustice. Always a prosperous and happy land is associated with justice for all. This is the social message of the Old Testament.

### The New Testament

When one tries to explain Jesus one unconsciously tries to do "beyond his best," and when it is all explained something yet remains.

"I come not to destroy but to fulfill," said Jesus—though many suppose that the New Testament replaces the old. It does not. It reinterprets the basic message of justice, broadens it, makes it a matter of fulfillment in the heart of man rather than a mechanical observance. The New Testament expresses what the law and the prophets were driving toward. The way of justice is opened up into the way of love and there fused—but not replaced.

The two laws which Jesus gave are found in the Old Testament. Love God and love thy neighbor (Deut. 6:5; Lev. 19:18). It is a matter of going straight to the heart of the law and the prophets and revealing the underlying spirit.

When asked for advice as to the right path to follow, Jesus repeated the Commandments of Moses. When more was asked, he gave the law of the inner spirit.

When he found it so difficult to get across his message, Jesus would say, "They have the law and the prophets. If they hearkened not to them, neither will they hearken to me." And he indicates that if they had hearkened, there would be no special need for his mission now.

Jesus has meant so many different things to so many different peoples, and has been interpreted and adjusted to conform with so many ways of life, mores and ideas, that we sometimes forget to look at the original Jesus. In *Christ's Object in Life*, John C. Lincoln reminded us that we can do this no better than by studying the first three gospels. And I believe we can best understand Jesus as the culmination of a mighty movement that might be said to have begun with Moses.

In the days of Jesus, the Messiah was expected by the Jews. He was to be the one who would restore the kingdom of Israel to its former glory, establish a reign of justice, peace and prosperity that would be a wonder to the world, and usher in a golden age. There is no doubt that Jesus considered himself the expected Messiah, and his followers did, too.

Jesus considered that the time was at hand

# PLAIN TALK by Jerome Joachim

Typical of the erroneous thinking which characterizes our time is the reasoning used by the milk driver's union recently in calling a strike because they wanted to keep several extra hundred men doing work that could be eliminated. With millions of people in the lower income brackets unable to buy many items they want because their salaries are nearly exhausted in buying essentials, the milk driver's want to solve this problem for their members by making these essentials cost more. With countless other groups trying to solve the problem via the same reasoning, the poor man's chance of improving his lot isn't rosy.

Less than 100 years ago 80 per cent of the people of America were needed to raise the food which the 100 per cent consumed. Now 16 per cent raise enough food not only for all of our 150,000,000 people but enough extra to feed a large portion of the rest of the world. Freed of the erroneous theories that farmers should be given bonuses for not raising food we could probably raise all the food we need with 10 per cent of our population. The rest of the farmers could be making the things we could afford to buy if we didn't have to spend our income to pay subsidies and exorbitant prices caused by governmental farm controls.

The milkmen can't be blamed too much for their "make work" theories. Every Republican who ever favored a protective tariff also wanted the government to "make work" for him and his employees. Through these tariffs he hoped



to increase prices sufficiently to pay his employees for doing something which could be done cheaper elsewhere and still have something left over for himself. As he succeeded in thus raising prices he threw other men out of work who had been making the extra things which people could afford to buy when prices were lower.

All Americans want freedom—except where it involves their immediate self interest. Because government can be used to create special privilege each is perfectly willing to restrict the freedom of others through government when it will help him. Let it be shown that the Japanese can make an article cheaper than we do in America and every manufacturer affected would be in Washington the next day to get the government to stop the importation of that article—even though it could be proved that every one of the men now making that article in America would soon be employed making either (1) the things we would send the Japanese in payment for the item they are making for us or (2) the things which people would be able to buy because they saved on the item bought in Japan.

The one great modern cause of war is governmental interference with our free markets, yet today there are almost no people left who can see that the greatest freedom of all is the freedom to trade with whoever gives one the best value. It is the restriction of this freedom which eventually will lead to the loss of all other freedoms.

for his mission to be accomplished, for all to be fulfilled. But the nature of the reign he sought to bring about was very different from what was expected. It was a kingdom of the spirit. No doubt many were disappointed at this. Jesus more than half expected uncomprehension but he was still discouraged with it.

At first Jesus intended his message primarily for the Jews, in his role of Messiah. He saw that only a few comprehended and that sometimes Gentiles would come to him showing equally good comprehension, and he decided that his message was for all who would listen.

His message was in the tradition of the prophets and he spoke as a prophet of Israel. Obey the laws of God not merely outwardly, but more important, inwardly. As you do this you become a more worthy subject of the kingdom of God. You must live in this world. Do not waste time resisting the temporal power of the conqueror (as Isaiah and Jeremiah also warned), but build within Caesar's reign the new kingdom. Adjust insofar as necessary to the way of the world, but in the word of God, be pure.

As those who have realized the inner kingdom associate with one another, in the spirit of love and justice, the new reign will shine forth and become manifest. Then, when God's judgment is visited upon the earth and nations must reap the harvest of their wickedness, and collapse in ruin—then will that bright spiritual kingdom be on hand as a light and an example to the world. Thus the kingdom that Jesus stood for was by no means a retreat from the world, but was indeed that which should triumph.

But woe to those who know the word and harden their hearts. In that day it shall go worse with them than with those who knew not. For to whom much is given much is expected. As with the prophets of Israel, Jesus is at his most fiery when inveighing against those who should know better. His oration against the Pharisees (Matt. 23) could be a page from Jeremiah or Isaiah.

Does love replace justice? Jesus asked people to be forgiving. He urged his listeners not to judge others. As was pointed out by the author of Proverbs, there are extenuating circumstances. We do not always know why a man acts as he does. Loving-kindness and forgiveness will do more to set him on the right path than punishment. "Judgment is mine, saith the Lord."

And as for the judgment of God, Jesus left no doubt that justice would be fulfilled. When speaking of the retribution of God, he was merciless (Matt. 24 and Mark 13). The high and mighty would be laid low. The oppressors and the hypocrites and the unjust and the wicked—"thou shalt not go out thence until thou pay the very last mite" (Luke 12). Justice shall be fulfilled.

The idea of justice—from its straightforward exposition by Moses to its sublime enrichment by Jesus—the idea of equity between man and man under God—is so concentrated upon, and labored over, throughout the Bible that it is sometimes difficult to see how that book can be so revered with its essential theme so neglected. Let us hope that it will not be long before the supreme message of the Bible will be grasped by a generation that is not a "perverse generation."



## Three Georgists Honored At Silver Anniversary

ROBERT CROSSER, Democratic Congressman from Ohio, was the distinguished out-of-town speaker at the annual banquet in New York on June 20. Speaking in remembrance of a fellow statesman, Tom Johnson, whose life and ideals were an early inspiration to him, he paid tributes to Henry George and Tom Johnson which will not soon be forgotten.

"Among those who were destined to be influenced by the great mind and the earnest and logical appeal of Henry George," he said, "was a young man who, although he had known hardship as a boy, had nevertheless enjoyed remarkable success as a street railways operator from his early twenties on through his thirties. That man was Tom L. Johnson."

Soon after he had become familiar with the book *Progress and Poverty*, Mr. Johnson went to visit Henry George at his home in Brooklyn. He asked what he could do to help. Henry George urged him to go into politics, with the result that he was three times elected to the Congress of the United States where he made a strong fight against the protective tariff. Later, for three terms, he was the celebrated Mayor of the City of Cleveland. He died in the third term and was buried near Henry George in the Greenwood Cemetery, Brooklyn.

Emanuel R. Posnack whose recent book *Time to Understand* makes use of Max Hirsch's book *Democracy vs. Socialism* (1901) as source material, said that his message was one of appreciation to the Robert Schalkenbach Foundation for having made Max Hirsch's book available; to Andrew P. Christianson, a New York faculty member, who introduced him to the book; and to the Henry George School for having produced "Chris" and others like him.

Georgism is more than a theory, he said. "It is a movement, and as a movement it must follow the dynamics of the times which indicate that man is on the brink of a new order of existence."

"Today communism is a real threat," said Mr. Posnack. "We cannot ward off communism by shouting of slogans or spilling of blood. We must have a control weapon—and the Henry George School has been providing that weapon for some time. I know if you continue your good work in the light of modern times, you will win the appreciation and thanks of all those who have the good fortune to come within the influence of your inspirational teaching." *Time to Understand* by Emanuel R. Posnack, may be ordered from the school, 50 E. 69th Street, New York, at \$2.50 a copy.

Robert Clancy, director of the Henry George School, brought to the audience a vivid appreciation of Joseph Dana Miller, editor of *Land and Freedom*, suspended in 1943. This journal was an epic the like of which had not been seen before. It was, Mr. Clancy pointed out, "a complete record of the ideas and aspirations, deeds and dreams, controversies and agreements of the followers of Henry George for nearly half a century."

In 1901 Mr. Miller founded *The Single Tax Review*, a thick quarterly, later a bi-monthly. From the first issue its contents were representative of the whole movement. Vol. I, No. 1 contained a letter written by Tolstoy; an account of James A. Herne, author of *Shore Acres*, by Henry George, Jr.; the story of Tom Johnson;

## The Optional Graded Tax Plan Wins in Pennsylvania

THE GENERAL Assembly of Pennsylvania, by a very decisive vote in both houses, has adopted legislation for all cities of the third class which will permit any of the 47 cities in this class to separately assess and tax land and improvements. This was the first major objective of the Pennsylvania campaign initiated by the Henry George Foundation.

The final vote was taken on June 5, when the House of Representatives passed the Third Class City Code, Senate Bill No. 357, by a vote of 141 to 47. Only the signature of the Governor is now required and the sponsors of the bill are confident of his approval after the customary legal examination of the legislation by the Attorney General.

The new tax law, having been condensed into three sentences, is remarkable for its brevity:

### Text of the Amendment

"At the next triennial assessment following the effective date of this amending act, the assessor shall, if council by ordinance so directs, classify all real estate in such city, in such manner and upon such testimony as may be adduced before him, so as to distinguish between the buildings on land and the land exclusive of the buildings, and he shall certify to the council the aggregate valuation of all real estate subject to taxation for city purposes within each such classification."

"The council of any city may, by ordinance, in any year, levy separate and different rates of taxation for city purposes on all real estate classified as land exclusive of the buildings thereon and on all real estate classified as buildings on land."

"When real estate tax rates are so levied they shall be uniform as to all real estate within each such classification and such rates shall be determined by the requirements of the city budget as approved by council."

### To Expedite Local Action

There is still a possibility that the House may also pass Senate Bill No. 121, even though the full text of this bill as here reported has since been incorporated in the Third Class City Code, Senate Bill No. 357, now in the Governor's hands. The situation is a very unusual one which induced the Senate to pass duplicate legislation. Certain provisions of the Code could not be made effective before January, 1952, without causing serious disturbance, whereas it was sought to have the new assessment plan become effective at once if possible.

and an article on taxation by Lawson Purdy, who was present at the speakers' table and was warmly welcomed by the audience.

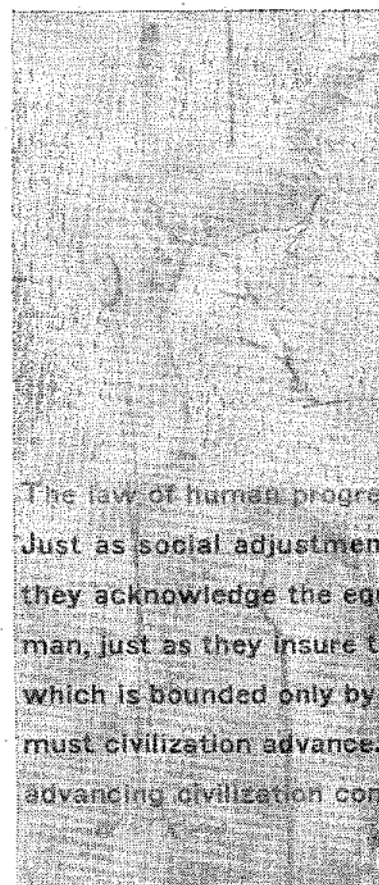
Mr. Clancy mentioned another great achievement of Joseph Dana Miller—*The Single Tax Year Book*—which appeared in 1917. This book remains an inexhaustible source of information and the Schalkenbach Foundation has found it of inestimable value in the preparation of a forthcoming year book in the same field.

Mr. Clancy concluded with a reading of Mr. Miller's last editorial, "Lost—The Individual," published posthumously.

Otto K. Dorn, vice president of the school and an associate of Tom Johnson in Cleveland, also addressed the guests briefly. Miss V. G. Peterson, secretary of the Schalkenbach Foundation, presided.

GREAT IDEAS OF WESTERN MAN — ONE OF A SERIES

HENRY GEORGE (PROG



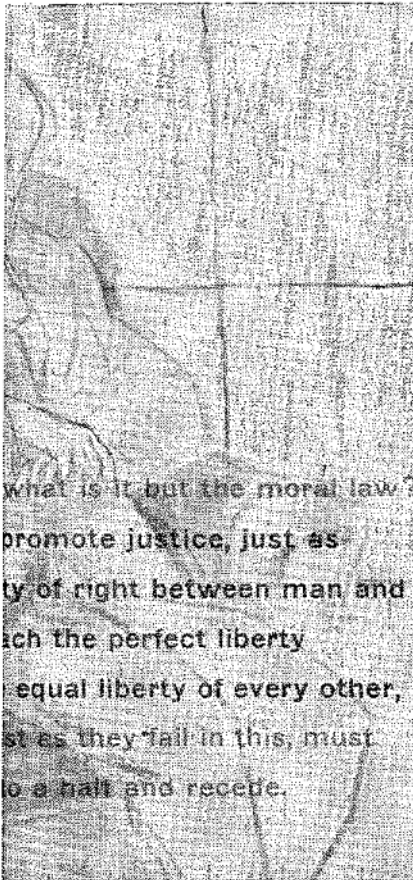
ARTIST: FRANKLIN WATKINS

## I Knew Henry

FOR FIFTY years I was in the postal service in New York and Brooklyn. I entered the service when I was a lad, in 1883. A little later I came in contact with Henry George, but I was still quite young. George had visited England and for some time after his return the many friends he had made on the other side, by sending him presents. Some of them were of considerable value, involving customs charges, seizures, etc. I handled numerous of these, and in this way we became acquainted. After a few visits, when he did not see me on entering the department, he inquired, "Where is the law usually seen?" George was an inveterate questioner, and he would ask about the reaction of persons in respect to seizures, penalties, annuities and so on—in fact he covered everything that was in any way concerned with our duties.

Shortly after this I was admitted to a debating society. The membership which consisted mostly of lawyers, was limited to adults or twenty-one. But I was permitted to attend several of the meetings as a guest, and then speak there. The outcome was that eventually they suspended their constitutional by-laws in enough to admit me to enroll. Occasions when they had joint debates with similar organizations, and in the course of time I was selected

## SS AND POVERTY, 1879)



CONTAINER CORPORATION OF AMERICA

## George By ALBERT FIRMIN

with several others to participate in a joint debate on the subject of "Georgism" (our theory). Our society was asked to defend the negative. It was then that I began my study of the subject. The more I studied the more convinced I became, and the more certain I was that Henry George was the master mind of his period.

As I have said, my acquaintance with George was slight when I waited upon him in the post office, yet there was a satisfaction in it that I had never experienced previously.

Eventually I became a follower of George in his campaigns. I was active in the period when he and Dr. McGlynn were associated in the Anti-Poverty Society, and when George was a candidate for office. I met him frequently. He was a marvel of intensity. He spoke before great gatherings and his addresses had an extraordinary quality such as few speakers attain.

Off the platform and among us, he was as gracious as a man could be. He dressed simply, plainly, at times even poorly. Several times I met him on the way to halls in his campaigns, in both surface cars and elevated cars, making his way like the rest of us with the least expense. Of course his addresses were mostly made where the audiences were largest, while I as a junior, did my talking in smaller halls.

## Back to Keynes

By STANLEY SINCLAIR

THE RASP of the saw, the staccato of the hammer and the shout of the building worker on the scaffold is muted this spring.

For the first time since the war's end, warm weather has not brought an increase in building activity greater than that of the previous season. New private construction in April, after values had been adjusted for an 8 per cent hike in building costs, were only 5 per cent higher than the same month of last year. But comparing April of 1950 with the previous year shows a jump of 70 per cent, after correction for higher costs.

Also, contrast the 49,498 new contracts awarded in April 1951 with the 59,616 in April of 1950—a drop of 20 per cent.

This is just the beginning. Washington officials make no secret of their determination to cut down private building. By using credit controls—bigger down payments and higher interest rates—they hope to keep new building starts down to about 850,000 for this year. Last year's total was slightly more than 1.4 million.

It takes only a second rate statistician to show that an active industrial economy is sustained in large part by its building activity. Large scale home building, coupled with private industrial construction has supported many a boom.

Professors of New Deal persuasion have long insisted there are three legs to the stool: private residential building, private industrial construction and government construction. Which leg is most important?

To most scholars, this question appears unanswerable. But in the lexicon of bureaucrats, there is no such word as "can't." The answer to this conundrum is to them simple and obvious: nothing can take the place of government spending.

As if to prove this point, public new construction this spring is 20 per cent higher than last year, while in the spring of 1950 it was only 10 per cent greater than 1949.

In the name of defense against Russian aggression from without and inflationary pressure from within, the government boys have succeeded in reducing private building activity so that they may supplant it with government expenditures.

It would seem that they are going to blow life into the ghost of Maynard Keynes at any cost. It was Keynes who preached that since private investment in capital goods could no longer support the economy, government would have to spend to take up this slack.

That private investment can carry the load has been adequately demonstrated in recent years, but the Washington boys will go back to Keynes if they have to create the need for government spending by throttling private investment.

There were times when the going was very rough, as when George met Shevitch in a debate on socialism, and the audiences were wild with partisan ardor, but George never flinched. He was courageous and I never knew of him showing any evidence of trepidation, hesitancy or rancor. He carried our banner and he held it fearlessly and high aloft. When he died he was venerated by a mighty throng. He left a heritage of truth, inspiration, logic and hope which will ever be cherished throughout the world, and in the hearts of men, regardless of creed or color.

## Independence Day

By MARSHALL CRANE

IT MAY come as a surprise to many to hear that the Fourth of July, which is observed as a holiday throughout the United States, is not the anniversary of the invention of gunpowder, but a day dedicated to the conception of Liberty, and commemorating the adoption of the Declaration of Independence.

It is rather sad that this document, of which we all have heard but which so few of us have really studied, has sunk to the status of a mere antique, a parchment fetish, thoughtlessly honored once a year. For though we take our national independence as a matter of course, the instrument which inaugurated it contains a great deal which the modern American might think about with profit.

If we examine it thoughtfully, we find that the most important part of this Declaration is not, as might be supposed, the concluding paragraph, which formally announces the separation of the thirteen colonies from the British Crown—we should have split away from Britain eventually without it, perhaps as Canada has done—nor the more familiar general remarks on human liberty and equality in the preamble, which have been so calmly ignored.

The real meat of the statement lies in the two central sections. Here we find the grievances which brought these feeble little states to such a momentous decision, the causes which impelled them to the separation, and they are many. An effort of memory, or reference to a history book, will remind us of the Navigation Acts, and other suppressive Acts of Parliament and decisions of the Admiralty Courts which forced every New England shipper to become a smuggler, and which made the bribery and corruption of government officers a standard business practice from Portsmouth to Savannah. We will recall, with the assistance of the Declaration, the regulations which virtually mortgaged the whole southern tobacco crop to London merchants before it was even planted, and the restrictions which ruined the Pennsylvania ironmasters and made all kinds of industry next to impossible except by stealth and knavery. There will be something strangely familiar about the many tariffs and indirect taxes, which robbed both the rich and the poor.

Mention is made too of the corruption of the courts, and of the arbitrary dependence of the judiciary upon the Crown; of the royal negation of acts of the colonial legislatures; of sly, clever tricks to limit their effectiveness by convening them at inconvenient times and places; and of their frequent dismissal before they had finished their work. The quartering of soldiers upon the civilian population, and the imprisonment of seamen both receive attention.

But the greater part of the evils and abuses, and those which caused the most suffering, were of a sort with which we still have to contend today, and not all of them are less obviously evil now than they were then. They may be summed up as the legal crimes against the liberty of the individuals and the freedom of his property, the same type of laws, regulations and taxes as those which still stifle the processes of industry and trade, which surround the supposedly free man on every hand, in his thought, his work, his play, and in the disposal of what belongs to him. So long as we have them with us, we cannot call ourselves independent.

# Letters

To the Editor:

Which is more helpful to the cause—for Georgists to argue as per Paragraph A below, or to hump themselves as per Paragraph B below?

A. The Single Tax is not a tax. It is, too; it's a land-value tax. Rent is paid for the use of land. It is not! It is paid for the public and social benefits adhering to land. Rent belongs to society because it is a socially created value. Nuts! All value is socially created. On that basis the value of industrial products could be as justly claimed by society. That's a lot of hokey! If the two kinds of value are socially created in equal degree, why don't they respond in the same manner to social influences? Why do land values *rise* with the growth of society, and commodity values *fall*? Why don't they move together? Answer me *that*—if you can!

I ask you candidly, dear Editor, should Georgists devote their time and energies thusly, or would it be better for them to engage in the unrelenting effort to

B. Convince as many people as possible that the adoption of Henry George's proposals, however their term may be defined, would be of inestimable benefit to mankind, and the greatest single step toward universal peace and prosperity the nations of the world could possibly take.

Which is the better way? Won't somebody please tell me!

—PERPLEXED\*  
Garlicville, Pa.

\*PERPLEXED was editor of *The Individualist* and lives in Florida. Can you guess?

To the Editor:

In your issue for May, 1951, Robert Clancy returns to the charge to insist that the collection of ground rent for public uses is a "tax," and he quotes the United States Supreme Court as follows:

"The term taxation covers every conceivable exaction which it is possible for a government to make, whether under the name of a tax, or under such names as rates, assessments, duties, imposts, excise, licenses, fees, tolls, etc."

If Mr. Clancy will look up the word "exaction" in the dictionaries, he will find that this statement is somewhat of a boomerang to his argument. Here are two dictionary statements:

Webster's Collegiate Dictionary, 5th Edition, 1943: *Exaction*: Act or process of exacting; hence, extortion; Verb: to exact, to demand or require authoritatively or prepotentially, to compel to yield or furnish; hence, to wrest, as a fee when none is due.

New Century Dictionary 1949 Copyright: *Exaction*: The act of exacting, extortion; Verb: To exact; to force or compel the payment, yielding, or performance of; extort; also, to call for, demand or require.

If George's proposal to collect the ground rent, as payment for the advantages of title to land, is actually extortion or exaction, it is high time that we quit trying to promote it. Why make our job more difficult by falsely calling our proposal a "tax"?

—JOHN S. CODMAN  
Boston

To the Editor:

The articles carried by the Henry George News during the past year about the placing of values upon sites and resources, have been very thought-provoking.

It seems right to answer those who brush us aside as mere theorists without a practical plan for application of our proposal to recover land-values which, in natural justice, belong to all the people. If there is any better name than Single Tax for the fund we would claim, it is, perhaps, Land-debt.

I cannot banish an idea about practical application that I have held for some time. It is prompted by the manner in which a Town Finance Board arrives at its tax rate, together with the statement of (I believe) Oscar Geiger, that "Economic rent is the exchange rate of civilization."

It seems to me perfectly correct that the yearly total values of land-sites, resources, and franchise privileges (of a given community) should exactly balance the yearly budget.

In that case we need only fix an arbitrary unit of value from which competent assessors would determine equitable relative values, and with total values arrived at, and the budget determined, the fixing of the land-debt rate would be a simple matter of arithmetic.

—ETHEL LYMAN STANNARD  
Columbia, Connecticut

To the Editor:

I find Jerome Joachim's article "Plain Talk" of June, 1951, most disturbing.

Mr. Joachim states that the American people should rid themselves of the leadership that is taking them "down the road to socialism." He then proceeds to paint a particularly grim picture of conditions in England.

I would like to raise two points in reply to Mr. Joachim. The first is that the American people will no longer tolerate prolonged depressions or protracted unemployment. This attitude is a social and economic reality, and inasmuch as the majority seem to hold to this idea, our present leadership is dedicated to the two great economic imperatives of the day: (a) the maintenance of full employment, and (b) the distribution of the national income.

Our current leadership has accepted the mission of effecting these two aims and the New Deal and Fair Deal programs were designed to carry them out.

We all know that Henry George's theory of the collection of economic rent and the abolition of patent monopoly would certainly provide us all with at least the *modus operandi* of a truly free society, but I respectfully suggest to Mr. Joachim that if any force exists which is diametrically opposed to these two great canons of simple decency, it is the hostile sect which now opposes the present regime.

In regard to England, I believe we must consider that this nation emerged from the war bankrupt and badly demoralized. Under the conditions then obtaining what course could Britishers resort to, other than the pooling of their few remaining resources?

An anachronistic social system, callous finance and, in particular, terribly obsolete capital equipment, have all contributed to the slowness of improvement. Nevertheless Great Britain has now almost restored a favorable trade balance. I feel that their experiment will be a limited success, although, like all socialism, it must exist within a tight pattern.

—EDWIN J. COONEY  
New York

## Great Books on Land

By CATHARINE M. WASHBURN

PATRICK EDWARD DOVE was the subject of the extra session of Great Books held in Hackensack, New Jersey, this June. As Henry Gieffers, assistant dean of the Henry George School in Newark, is also leader of Great Books in Johnson Public Library, he is able, with some slight assistance from Georgist members, to persuade the group to read and discuss one extra book every year. Last season the abridged edition of *Progress and Poverty* stimulated discussion and a few showed signs of desire for further study. This time members from former courses in Fundamental Economics and advanced courses swelled the ranks for discussion of *The Theory of Human Progression*. There was a well-defined change in the tone of the comment.

Next year, if material is available, we hope to study Ogilvie or Spence. A condensation of the strikingly penetrating sections of Ogilvie is under consideration. By our plan we hope to hit several birds with our one stone. We have already lured Great Books members to take the George course. From the meeting on Dove, George students are now coming into the Great Books course.

Ex-Chancellor Hutchins, one of the leading spirits who pioneered Great Books into their phenomenal popularity throughout the country, has always spoken out for George's philosophy, but up to the present none of George's books has been put into the course. Perhaps Hackensack is "boring from within?" We feel that if every year one session were devoted to "Great Books on the Land Question" in as many cities as possible, our centers of influence might increase dramatically.

Another strength of our plan consists in the easy, pleasant way we can then show that our theories were not the product of one mind (George's) only, but of several thinkers in different countries and periods. This carries real weight, well worth the effort of making more of the precursors of George available.

## John C. Lincoln Says—

DENMARK is the first country in Europe to have put into practical operation the taxation of land values as advocated by Henry George. Since 1916 a substantial proportion of Denmark's public revenue has been thus derived, and for long before that time an important, though varying, part of the public expense was so met.

Denmark's canny Minister of State, Christian Reventlow, paid the entire cost of the Battle of Copenhagen with Admiral Nelson in 1801 with a land-value tax on all the land in the country, including the privileged land of the nobility.

Justifying his action, Reventlow said: "Even in the same province, land of the same goodness is of much higher value near the greater towns and in densely populated areas. We therefore think it more just to assess the Hartkorn Tax (Land-value Tax) according to the total value of the land, because that shows best how much the land can yield in money; and on this value of possibility of profit, and not on the quantity of farm land, taxes could be fairly paid by all."

—From the June Lincoln Letter



### San Francisco

School friends from the East and Midwest, who plan to attend the conference in Los Angeles are reminded that they can travel by way of San Francisco at no extra fare. Visitors are welcome either before or after the conference, but Tuesday, July 17, is being set aside especially as Visitors Day, with arrangements for sightseeing and an informal evening meeting.

The Annual Finance Campaign of the Bay Area extension began Friday, June 22, with the gathering of the committee of 50 callers at the Palace Hotel. General chairman of the campaign is Earl Hanson of Oakland. Working with him are five division chairmen: For downtown San Francisco, William Greenbaum; for north San Francisco, Charles MacSwan; for south San Francisco, Russell Powell; for Oakland, Joseph Kloss; and for Berkeley, George Amberg. Each chairman heads a committee of six to twelve callers, who will each make five personal visits in the two-week campaign. The goal is \$3,200.

The weekly forum is prospering under the leadership of Charles MacSwan, recently from Glasgow, Scotland. Robert L. Gradin, winter term graduate, opened the June 15th discussion, on the topic, "Labor Unions in the Light of Fundamental Economics." The custom is to allow a period for questions, after which each person present has an opportunity to speak.

### Los Angeles

The S.A.G.E. chapter of the Los Angeles extension was host at a reception to recent graduates on June 18, at Pig 'N Whistle Cafeteria on Wilshire Boulevard. Certificates were conferred upon those finishing the three basic courses. Cards of recognition and admission to continuation courses were given to students who completed the fundamental course.

W. R. Blumenthal, formerly professor of economics at Ohio University and currently president of Los Angeles S.A.G.E., gave a stimulating address on "What This Occasion Means to Teachers and Students," followed by a question period. Teachers were asked to tell "How I Became a Georgist; Why I Am a Georgist Now." Students representing the various classes discussed "What I Got Out of the Course," or "What We Can Do to Further the Educational Program."

Recognition was given teachers and prospective teachers completing the Leadership Training Class. Fall Continuation courses were considered.

The national conference, meeting here July 19-22, with headquarters at the Alexandria Hotel in downtown Los Angeles, came in for extensive discussion, with attention to the highly interesting agenda and entertainment features, which include a night at the Greek Theatre, a bus tour, and a picnic in Griffith Park. Mrs. Jeanne Scheuch, active in various local organizations, is doing outstanding work, as are many other enthusiastic members, in preparing for the forthcoming conference.

### Montreal

Strathel Walton, director, spoke on "Economics As a Science," at a capacity meeting held at Montreal headquarters May 16. Stuart Goodrich discussed "Economics—A Personal Issue." Other speakers were Mrs. C. I. Markland, Mrs. Helen Russell, Louis Crepeau, P. J. Blackwell, James Turner and Alec Mathieson.

The spring term just completed consisted of two classes in Fundamental Economics and one in Teachers' Training.

### Chicago

Austin Kiplinger, radio and television news commentator, addressed the concluding Commerce and Industry luncheon of the season on June 13, on: "We Won't Control Inflation." He was presented by C. Arthur Boyd, head of the department of methods and procedures at Marshall Field and Company.

The annual Commerce and Industry dinner on June 27 brought to a close the school year's progress in economic education throughout Chicago industry. The speaker of the evening was Nathaniel Leverone, founder and chairman of the board of Automatic Canteen Company of America, whose topic was: "Freedom and Understanding." Toastmaster was Melvin E. Haas, president of Bussey Products Company.

The dinner was preceded by a conference of key men from companies which have participated in the School's economic education program.

### New Jersey

At a recent annual meeting of the membership of the New Jersey School the Board of Trustees was reelected. The trustees reelected the same slate of officers, and reappointed the director, assistant director and assistant deans.

R. L. Rockwell of Fairhope, Alabama has recently completed another class in Mobile using *Economics Simplified*, and will start a class about June 16.

Director Tetley has been working on a revision of the trade course with the possibility of it being given as a separate course, open to anyone (heretofore it has been offered only to those having completed the fundamentals) with the thought that some may be interested in Problems of Foreign Trade, a five-week discussion course. Those enrolling and completing this course will be urged to take the Fundamental Course following International Trade.

Consideration is being given to a series of "random talks" at Newark headquarters in an effort to interest persons not responding to the usual promotion methods.

### St. Louis

Spring term graduation exercises were held on the rooftop of the YM-YWHA, with 56 students graduating from seven fundamental classes. Albert J. Croft, instructor in the Speech Department of the Southern Illinois University at Carbondale, spoke on "Henry George: His Speeches Reveal the Man."

He developed George's career, his method of inquiry and the importance of pursuing the type of socio-economic inquiry made by him.

George B. Perry, governor of the 8th District Toastmasters International, and editor of the *American Painter and Decorator*, presided. Class speakers were: Mrs. Minnie R. Busse, Miss Georgia R. Roetto, Marvin S. Hochberg and H. D. Bernard.

The Public Revenue Education Council, a non-profit, non-political organization, has been established by Henry George graduates and friends of untaxed industry, as part of the development of a public relations program in the St. Louis area.

At a recent meeting of the Board of Directors the following were elected as officers: Noah D. Alper, director Henry George School of Social Science, president; Joseph W. Widmer, executive with Hart Vance Company, Advertising, vice-president; Erwin Kauffmann, president Security Advertising Company, treasurer; and Mrs. Fred J. Blum, secretary.

Other directors are Mrs. Robert L. Michie, Joseph Forshaw, Bertram J. Mann, Jr., Robert Blumenthal, Clarence H. Bocklits, Henry J.

Classe, William C. Howard, Julius E. Kahre, George Mallinckrodt, William G. Schmeigel and Ray Westfall.

Representatives of the Henry George Women's Club appeared before all spring classes with an invitation to women graduates to become members.

### Pittsburgh

Walter R. Schwarz has been pressed into service as the acting director of the Pittsburgh extension, following the resignation, regretfully accepted, of Richard Howe who has served so splendidly. This group began operations in William McNair's office in the Bakewell Building follow his sudden death three years ago. A fellow attorney, Robert B. Riley, who shared this office, still makes it available for storage purposes.

At a recent reorganization meeting an Advisory Board was set up with the following members: Robert Bowers, chairman; Anthony Bove, vice-chairman; Andrew Burik, secretary; Mario L. Bove, treasurer; Paul Doelfel, publicity chairman; Dean Addleman, financial secretary; and Edward Miskovich, recording secretary.

Robert Bowers, a Pittsburgh architect, has conducted a very successful evening course in Fundamental Economics in the real estate offices of Mario Bove. The class began with twelve men and added two women at about the fourth lesson. It was reported that these late joiners, Emily Bennett and Carolyn Wise, both associated with the Allegheny General Hospital, were "completely up to date," two weeks later. Did someone ask *what's in a name?*

### New York

Commencement exercises were held at headquarters on June 18 for over 200 graduates. Two days later nearly 150 Georgists turned out for the annual banquet, and on June 21 three representatives of the school were interviewed on a half-hour radio program "Hits and Misses" on Station WCBS. Before the program had gone off the air a listener had telephoned to enroll and a dozen more calls came in rapidly thereafter. Copies of this interesting script by Mabel Carlson, secretary of the school, and two instructors, Dorothy Sara and Gertrude Heyl, are available from headquarters upon request.

The summer term began the following week with basic classes on Tuesdays, Wednesdays and Thursdays, and a trade class on Tuesdays—evenings only. So much interest was shown in the John Dewey class last term that the group decided to continue an informal seminar during the summer and will resume in the fall with a study of Dewey's *Human Nature and Conduct*. This seminar meets on Wednesday evenings.

A facsimile of the Declaration of Independence which has been treated to look like a manuscript now hangs in the school library as a companion piece to a facsimile of the Bill of Rights. The latter was presented to the school by Don Shoemaker editor of *The Asheville Citizen*, and editor of the recent book *Henry George: Citizen of the World*, written by Anna George de Mille and published after her death.

The article "China Is Not All Red Yet" in the Saturday Evening Post of June 30 is by a Henry George School graduate in New York, Yukon Chang. This is his second article in the Saturday Evening Post.

The 674th Medical Collecting Company had its annual reunion at 50 East 69th Street on June 23. This is the outfit in which Robert Clancy served during World War II in the European theater.

# Could You Use Some Extra Money?\*

By C. O. STEELE

THE ANNOUNCEMENT of a fifty per cent pay boost for every worker in the United States would electrify the nation—if it were believed. But it would not be believed by many—nor by any for long.

People would say it couldn't be done. Even if government could enforce such an edict, the results would be devastating. Millions of employers would be put out of business. Prices would rise sky-high. Inflation, such as brought ruin or near-ruin to a number of European countries, would engulf us. Wage earners, instead of being benefited, would be vastly worse off than before. The idea is fantastic.

So-o-o, let's put it another way. What would it mean if we had no taxes to pay? It would mean that the average American's income—the net income which he is allowed to retain as his own—would jump about fifty per cent!

Figure it out for yourself. Taxes, direct and indirect, now take approximately one third of what the average man earns. That leaves him two thirds. With the remission of taxes he could keep the one third that is now being taken from him. Add one third to two thirds and what have you got? You've got a fifty per cent gain in the average net income. That's what you've got—and there's no getting away from it.

It isn't by the income tax alone that Mr. Average American is nicked, though that is the one that gives him the dirtiest dig in the eye. But the indirect taxes, the hidden taxes, the taxes he seldom thinks about—those are ones that swat him plenty while his back is turned. Big taxes, like those on cigarettes—six cents a pack to make, twenty or more to buy; bigger ones still, like those on liquor—a dollar a gallon or less to make, twenty to thirty to buy, depending upon the brand of poison to which you are addicted. An almost uncountable number of taxes on an almost uncountable number of other things. Somebody doped it out recently that there are 125 taxes on a simple cotton dress; 142 on the farmer's plow; 148 on his overalls; 151 on a loaf of bread; 127 on a roast of beef; 100 on an egg—and so on ad infinitum. The figure-happy gent who did the job will probably have upped his figures by the time this book is published. You can see what it would mean if we had none of those taxes to pay.

But that's nonsense, somebody will say. How could we get along without taxes? We have to have government, don't we? Government costs money, doesn't it? Well then, where would the money come from if we do away with taxes?

The money would come from ground rent—or from land-value taxation, which is the same thing. That's where it would come from. Ground rent in the United States is estimated at upwards of fifteen billion dollars annually. In normal times and in a free economy such a sum would be sufficient for the legitimate expenses of government at all levels—federal, state, local.

Admittedly, fifteen billion would not pay out share—to say nothing of our allies' shares, which we would largely have to pay—of a world war. It would not supply billions for pensions, including those paid to able-bodied veterans. It would not cover billion-dollar hand-outs to foreign nations and to pressure groups at home; nor the lesser give-away programs of the welfare state. It would not provide billions for the construction and operation—always at

a loss—of government "projects." It would not finance the repurchase of government bonds at par. It would not suffice for a government payroll ten times as large as it would be were it not for an army of bureaucrats hired to do things bureaucrats have no business doing—things which private enterprise can do better. Government's big-time pastime of taking money from those who earn it to give to those who don't would have to come to an end.

Federal appropriations for 1931 were around five billion dollars. And no informed person will contend that the year 1931 was conspicuous for government efficiency and economy. The Marxist idea of "From each according to his ability, to each according to his needs," had already got its toe in the door. Pressure groups were beginning to get theirs. Bureaucrats were starting to strut their stuff. One Franklin D. Roosevelt was telling the country how wasteful and extravagant the Hoover administration was—and proving it. Prior to 1918 federal outlays were well under two billion a year. Before 1910 they were under the one-billion mark.

We can cut government down to size whenever we get good and ready—and mean business. The proper functions of top-level government are few and simple. Their sole legitimate aim is to assure freedom and security in the greatest measure humanly possible to all citizens. To that end the government will maintain the national defense; it will protect citizens from trespass against person or property; it will see that contracts are lived up to, and that justice is dispensed equally and without cost to all—and that about covers it. We should see that the trimming process gets under way at once—and while we are about it we should complete the job by ridding our state and local governments of the waste, extravagance, inefficiency and corruption that have made many of them a disgrace to a civilized nation.

So that's what we've got to do—cut government down to size AND collect ground rent for the public expense.

When we have done those things—and only the defeatist-minded will say we can't do them if we really want to—we will find that receipts from ground rent will be ample for all government costs; that earned incomes, through tax relief, will have increased by an average of fifty per cent; that every able-bodied man can find a job whenever he wants one, and at higher wages than he ever drew before; that the nation's production of wealth will have increased enormously as the result of great areas of previously idle land being brought into use, and our standard of living risen to levels far higher than any yet known in any country on earth. . . .

It might seem that government reform, cutting government functions as outlined, with a consequent saving of billions of dollars annually, would be far more important than the shifting of taxes from earning to land value. That, however, is not the case. The caburetor is far from being the largest part of the many composing an automobile—but the car won't run without one.

It is something like that with ground rent. Unless our present system of land tenure, which encourages the speculative withholding of land from use; which permits owners to rent their land to others, taking in payment a part of what those others produce; which allows land-

holders to retain as their own the added return which comes to them solely as the result of the location advantages adhering to their land—unless and until that system is ended, government economy, however far it may be carried, would be of but little temporary benefit to the great mass of people, and of no lasting benefit whatever. The gain would accrue only to the landholders. For a reduction in the amount taken from the aggregate produce of a community by taxation would be simply equivalent to an increase in the power of net production. The number of bushels of wheat a farmer might grow per acre would not, of course, be increased by a reduction in taxes, but the net return he would get for his wheat would be; just as a merchant's sales would increase as prices fell in response to tax cuts. By the same token, the desirability of a given piece of land over that of land at the margin would be enhanced. Income from privilege—that's what ground rent is when the landowner may retain it as his own—would advance. Thus what the public at large saved by the cut in taxes—following a simplification in government—would quickly be offset by the added ground rent flowing into the pockets of private landholders.

Moreover, no reduction in taxes, however great, would restrict the ability of landholders to keep their land out of use in the hope of speculative gain. The holding idle of such quantities of land as would provide millions of well-paid jobs is the largest single factor in our ever-recurring unemployment problem. The public collection of ground rent must be instituted before economy and efficiency in government or other reforms, important as they may be in themselves, can be of any permanent benefit to other than landowners. Full-scale land-value taxation *must* come first.

You will see that what I propose is merely a return to the free private enterprise of capitalism, the complete repudiation of state enterprise.

In a free economy a man would get what he earns and earn what he gets—unless he acquires it by fair trade or somebody gives it to him. There could be no taxes on the products of capital and labor because such taxes rob the producer of a part of his product—he doesn't get all he earns. There could be no renting of land by one man to another because such payment of ground rent would rob the tenant of a part of his earnings and bestow on the landowner an income which he does not earn. . . .

Nor, of course, in a free enterprise economy, could there be such economic monstrosities as government control of wages and prices and production, or tariffs and other impediments to trade, since all those would be a denial of the individual's right to freedom of choice, his right to a free market.

That's all we need—free enterprise. But no monkey-business, no half-way measures. The whole works, no less!

\*From the author's forthcoming book *Economics With A Smile*.

