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The Sense of Humor By RICHARD NOYES

THERE is nothing unusual about a town meeting incident I witnessed last March, except that I happened to be thinking at the time and it egged me on.

The question was whether to raise \$200 as town aid for a community hospital in a nearby city. Feeling had begun to run high. Was the hospital any good? Was it socialism?

An elderly woman got up . . . She looked to be in good health except for her disposition . . . she felt that things which suited her grandparents were good enough . . . she got the floor.

"Well," she said, looking around, eyes flashing, "I want to tell you one thing. That hospital is *all right*, and I know. My husband was there as a patient not long ago and . . . I say not long ago . . . it was after the first World War . . . and he got the best of care. The only thing in all the time he was there . . . several days . . . which gave us any good reason to complain was that one day someone got mixed up and pulled out all his teeth. It was the only thing . . . I think they should get the money."

People laughed. The tension was broken and the sum was unanimously approved.

I laughed, but it wasn't until I took my notes home and put them down on the table that the incident made sense.

It has led me to believe that we have outgrown our system of knowledge. Established by Rene Descartes three hundred years ago, and built on math and logic, our system has made possible some big things in man's relationship to the measurable universe . . . but it has been a flop in man's relationship with his infinite and unmeasured neighbor.

It has done so well as clerk that we have made it chairman. We are all so proud of Descartes that we have put *descarte* before *des horsense*.

The difficulty is that science is not an adequate tool for social study, which means our efforts to bring an end to war and poverty have been as hopeless as an attempt to design an atomic bomb with a ouija board.

We got off on the wrong foot, in my opinion, when Descartes suggested, "I think, therefore I am." I can't accept the idea that my being depends on my thinking. I say rather, "I seem to be . . . all the evidence I have suggests that I am . . . I feel that I am . . . therefore I probably am."

It can't be proven, but neither could Descartes' proposal be proven . . . as he would have found out had he kept on thinking, and therefore being, for a few hundred years.

"One thing only I know, and that is that I know nothing," according to Socrates.

"The compulsive quest for certainty . . . is rooted in the need to conquer the unbearable doubt," Frohman explains.

"Courage is the human virtue that counts most—courage to act on limited knowledge, courage to make the best of what there is and not whine for more," says Robert Frost.

Certainty must give way for probability. Proof must give way for evidence. Nothing can



be absolutely known until everything is known . . . which will probably not be until after the 1952 elections.

Now, I am probably writing this because I *want* something. I go where ego. The individual is the unit of society and his will is its only motivation.

"Want" is like live steam . . . commendable, but not the kind of thing you can sit down quietly and enjoy. Want is not always fun and it is seldom mental . . . but it is fundamental.

I want, probably, to live and do it right. So does everyone. "Right" is not easy to define, in spite of the fact that we have all been over the question several times before, but the best indication we have found for it is a feeling of well-being, security, satisfaction, stability, contentment . . .

Happy, some people call it.

Happy is a touchy subject. People have been ostracized for considering it an end. It is more like a compass than a destination. It would be a mistake to put your face in front of it and just steer, but used properly it can be a valuable indication.

A man cannot be made happy. He must do it himself. It is a continuous process, creative and personal. It is, in a roundabout way, his job . . . his reason for being . . . and it is a full-time job.

I am not suggesting it is easy to live right and be happy . . . but it is fun to try. It is imperative to try, and if a man is prevented from doing so his "want" builds up like live steam until something breaks and there is want blowing all over the place, and it would be better if it were only live steam.

Now, I hear that while I am free to pursue happy, there are people in the world who are not. The first step in the pursuit is to "be," and yet there are people in the world who do not have enough to eat.

I have read, in a book called *Progress and*

SMALL CHANGE

Will be the subject of an address by

RICHARD NOYES—journalist and actor
Of Peterborough, New Hampshire

Friday Evening, OCTOBER 26 at 8 P. M.

At the HENRY GEORGE SCHOOL
30 East 69th Street, New York

Poverty, that some people, when they are hungry, can just go out and pick blueberries because they "own" them, but some people cannot.

It seemed trifling, at first, but it is true not just of blueberries but of grain, oil, steel, even a place to put your foot down.

When you prevent a man from using the earth you prevent him from being . . . you obstruct his "want" right near the roots . . . and pretty soon you had better look out or you will get a lump on your head or buckshot holes in your overcoat.

I was told in school, and I later came to believe, that one good way to keep us all from obstructing each other in this wild pursuit is to set up a government. The point of government is not to make people happy, but to prevent any man from obstructing his neighbor. It is not probable that a government which gives only some people the full right to use the earth is going to endure.

It is beginning to happen . . . in China, Iran, India, Italy, France, Africa, the Philippines . . . even right here at home. So I believe it would be worthwhile to go out and try to convince people of the wisdom . . . for all of us . . . of something I begin to call the "land equity principal."

It can be proved if people will stand still long enough, but there is the old saying that "Georgists never lose arguments and never win elections."

People listen politely and then whisper, "Single taxer," . . . "Georgist" . . . "Radical" . . . pronounced like infectious diseases.

I find that all new social ideas have had tough sledding. The equality of man, for example, led to a few wars and is even now not generally accepted.

Columbus and Einstein, with their technical ideas, had it easy. They could measure the earth and the atom without interfering with anyone's will. Logic and math are good at that. They could demonstrate their conclusions, by sailing around the earth or making the atom go boom, before they had convinced mankind.

The social scientist, on the other hand, is one of his own subjects . . . with "want." He can't sail around his neighbor and he can't make him go boom. He can demonstrate his conclusion only after he has convinced mankind.

So the social scientist has the problem of communication . . . which the technical scientist does not have . . . and it is exactly there that our system of knowledge fails.

People will not accept logical, rational proof.

I was at this point in my thinking when I heard the woman argue at the town meeting and saw people toss aside logic in favor of a joke. Who was wrong? People or logic?

Adulthood is the point at which we discover that we are not God. It is possible that people—who are made by God—are right, and that proof—which is made by hand—is fallible.

It was a joke which altered the town meet-

(Continued on Page Three, Column One)

A Word With You

By ROBERT CLANCY

"Communications" is the magic word today—at least one of them. Every so often appears one of these words which acts as a pass key to the world of the upper-brows. Mention "communications" nowadays in a random group of intellectuals and the match has been struck.

By it is meant the problem of communicating news and ideas, usually on a mass level, and all that it implies in the way of information and misinformation.

At a fairly brilliant gathering the other day I met a young lady deep in international communications projects. In discussing the problems being encountered with the awakening peoples of Asia and Africa, she said, "It all gets down to communication. That's the thing we must solve." I expressed the opinion that even before communication must come a basic attitude that there is something worth communicating, and somebody worth communicating with (meaning both ways, of course).

Take the idea of "alien philosophies" being communicated these days as something opposed to and greatly inferior to the "American way." To attempt to communicate this to the world makes the "communication" a one-way street indeed—and we might well ask with Fortune Magazine, "Is anybody listening?"

Emerson, Henry George and John Dewey are our distinctly American philosophers, having produced distinctly home-grown philosophies. Yet they are by no means universally accepted and taught by those who would communicate "Americanism." Indeed, a sampling of our American philosophers has been known to give rise to mutterings of "un-American" in some quarters.

Maybe our communications with the rest of the world would fare better if we delved into and dusted off our really thought-out American philosophies. But, as Emerson said, "Life is not dialectics," and it might not do any harm if we did a little more pragmatic practice—what-you-preach association in equality.

Take any group of people we may be having trouble with in, let us say, Asia or Africa. And just imagine that we decided they were just as good as we—and acted on that premise—especially in our economic dealings with them. How natural communication would then be!

Communications in general might do a lot better all round if the magic words in cultural circles could become "Fundamental Economics."

Gems for Georgists

By NOAH D. ALPER

"The city's (Saint Louis) financial condition is such, the Mayor (Joseph M. Darst) said, that new sources of revenue must be found. No city can operate indefinitely on an antiquated income and on a deficit basis."

The answer: a bill which "provides for a levy of one per cent on earning in excess of exemptions allowed by the measure. Exemptions are permitted on the first \$600 of income of each taxpayer and on \$600 additional for each dependent."

—St. Louis Post-Dispatch, September 6, 1951

Vincent Schaub Had a Farm

Said Vincent Schaub, "For the last fourteen years I have been trying to build up the fertility of my farm." (His average yield for the 10 years preceding 1949 was 35 bushels of corn to the acre.) The mortgage holder's representative placed a value of \$12,000 on the farm and the owner was advised to sell it and buy a smaller, more fertile one.

Hearing of a specialized "fertilizer service," Mr. Schaub decided to try a specially prepared formula at a cost of \$42 an acre. He mortgaged the farm another \$5,000 to finance this, with the result that from 15 acres he produced 1545 bushels of shelled corn or an average of 103 bushels to the acre.

Mr. Schaub tells the complete story in a mimeographed bulletin handed out at the School-of-Living Conference at Bloomington, Illinois in September, entitled "My True Success Story."

"Now let's consider the offer I was made for my farm," wrote Mr. Schaub. "The mortgage holder valued it at \$12,000 in the fall of 1949. I was offered \$47,500 in fall of 1950 or almost \$6 net gain in value of the farm for each dollar spent for fertilizer, or almost four times the original appraised value of \$12,000."

Should such incentive increase taxes?

Taxes Reduce Efficiency

"Seventy-five per cent of the companies replying to a Mill and Factory questionnaire said they felt high income taxes are curbing the incentive of higher-salaried executives and junior executives. Forty-six per cent noted a reluctance on the part of junior executives to assume greater responsibilities at higher salaries, and 43 per cent said they noted a lowering of efficiency on the part of enterprise and on the part of the juniors."—St. Louis Globe Democrat item, September 10, 1951

Benefits Leaking?

The Tennessee Valley Authority, according to Richard G. Baumhoff, St. Louis Post-Dispatch writer (August 26, 1951), "has sold itself thoroughly to the bulk of the people of its 40,900 square-mile area." Governor Gordon Browning (Dem.), Tennessee, "is a supporter of TVA principle," he said. "The people of Tennessee and the other parts of the Tennessee valley are completely sold on TVA as a public agency which has brought the best benefits to them without any sacrifice on their part." (This could have been predicted by those who know to whom such benefits would go.)

Mr. Baumhoff wrote, "TVA's position is that its mandate is to see that power is available as cheaply as possible, not to furnish a financial subsidy for town governments." This was in answer to criticism that towns can't make profits and so pay town expenses out of cheap electricity, but must pass the low price on to the people.

Of course the subsidy to land title holders was not objected to. If TVA is all that is claimed for it, what must the profit be to the title holders of the land?

"Lead Us Not Into Temptation"

An AP dispatch (March 13) stated: "Chairman Gordon Dean of the Atomic Energy Commission yesterday threatened to condemn land in the 250,000-acre site of a vast new atomic plant in South Carolina if necessary to prevent profit grabbing on inside leaks."

A man named Pace, according to the Augusta, Georgia Herald "had bought options on two pieces of land in the AFC area on November 27 and November 28 for \$44,000 and later sold them for \$120,000—a profit of \$76,000."

The backbone of corruption of a people today lies in the tax system. Something basic in nature, some violation of moral law, lies at the root of all this. Were net rent-of-land profit possibilities taken out of the privilege of holding title to land, and the advantage of tax evasion not made possible by reason of taxes levied on property in improvements, tangible personal possessions and wages incomes; no one would be tempted to corrupt public tax officials.

Econo-quiz

By HENRY L. T. TIDEMAN

Question. All industry is based upon the land. If the value of the base rises beyond normal as it does in land booms, and other values rise coincidentally, cannot a case be made for the rising base value raising the prices of commodities?

Answer. It has never been done, and I believe it cannot be done. This is how the ideas line up for me.

Land values are the result of cheapened cost of production. What do we mean by cost of production? We mean the amount and quality of labor necessary for the production, per unit, of such wealth as we want. Where cooperation and specialization reduce the labor necessary for the production of wealth, there land becomes valuable and acquires a price.

The questioner may now say: "Yes, yes, granted all that; is it not beside the point of the question. When land rents boom to such an extent that men must offer increased labor for its use, in excess of its normal rent, will not the excess labor become a cost entering into the prices of commodities produced upon these lands?"

The implication in the question is hasty.

What really occurs is that the speculative rise in rent drives the producers who want to stay in business to the use of less productive lands, even resort to a reduced margin of cultivation. By this process the more productive lands are made idle or subjected to inferior use. Thus more labor per unit of product becomes necessary. As a by-product effect, the gain from material progress which reduced the labor cost on the existing margin of cultivation gets absorbed in rent as the new reduced margin develops.

Now, the margin is the point of highest cost, that is: the point where the most labor yields the least wealth. On all lands in use, including the margin, less wealth will be produced at greater cost. Prices in the market will generally follow the necessary cost of production.

Hence we observe that though a land boom will set in motion the forces which increase boom prices of commodities the price or rent of land never becomes a part of the cost of commodities. The increased cost of living which coincides with a land boom arises from the necessity of resorting to less productive sites as the landholders attempt to raise the rent. This driving business from the lands best suited for it, will show vacant premises row on row when the depression comes.

The Sense of Humor

(Continued from Page One)

ing situation . . . a sense of humor. Logic had divided the citizens . . . a joke united them. They all laughed, which suggested that the thing about the teeth meant the same thing to all of them.

What?

I have been interested in the sense of humor because I like to laugh. Most anyone does. The first social act of the human child is to smile and then giggle.

"A new joke," Freud points out, "operates almost as an event of universal interest. It is passed on from one person to another, just like news of the latest conquest. Even prominent men . . . dwell in their autobiographies upon this and that excellent joke."

The sense of humor is an ability of the human being to tell right from wrong, to see an incongruity . . . probably. Laughter is the involuntary reaction to such a discovery.

What was incongruous about the teeth?

It was an absurd argument. But the others had lost sight of the fact that the question was only \$200 out of a \$100,000 budget. They had lost perspective, were out of focus. The woman was only a trifle more absurd . . . enough so to be funny.

When the people laughed they were jarred loose from their emotional bias. They regained perspective and got back to some universal frame of reference where they felt secure and able to trust one another. It happened suddenly, too quickly for the conscious mind. It took me several days to see logically what my sense of humor had seen in an instant.

We are told that our memory keeps a record of everything we encounter. We have a vast accumulation of evidence stored away. We have a spherical awareness, an intuitive mind, which sees in all four directions. When we come across an idea it makes a quick check through our filing cabinet, weighs the evidence and comes up with a "probability." If the idea seems incongruous, absurd, inconsistent . . . we laugh.

The sense of humor is the point where the intuitive mind comes closest to the surface. Its speed and precision are remarkable. The intuitive mind is creative, too, and I would like a nickel for every important idea which has simply "flashed" into some thinker's mind.

Lin Yutang writes that, "Professor F. S. C. Northrop of Yale calls attention to the importance of recognizing the place of intuitive knowledge of 'the esthetic undifferentiated continuum,' and the right to existence of that kind of knowledge, which is in all probability closer to reality than the differentiated knowledge of the reasoning mind . . ."

We are like an epitaph of which I have been told: "Here lies Thomas Clough between the two finest women who ever lived . . . his wives. But he has asked his friends to tip him a little toward Tillie."

We live in an absolute world, but our understanding of it is finite. We know only probable and improbable. We can ask only to be tipped a little toward Tillie.

Our legal system is an example. We prove a man not absolutely innocent or guilty . . . but beyond a reasonable doubt.

Now, if all this is true . . . and I am suggesting only that it is probable . . . there is a system of knowledge already set up for us . . .

PLAIN TALK by Jerome Joachim



In a nation, whose citizens have for more than 20 years looked to government to cure their many problems, the principles of individualism are not easy to re-establish. A large portion of the population, sufficiently matured to direct the nation's thinking, was passing through its thought-forming period of life when the United States began looking to government to solve the problems which individuals faced. Many of these people have come to believe there is no other way.

As a result we may well be losing ground in our fight against communism and the ideas upon which communism is based. For the creed of communism is socialism. Millions of Americans who would shudder if they were called Communists are nevertheless committed in their thinking to socialism.

The objections of Americans to Communist methods are easily understood. Communists are pictured as brutal tyrants. Until recently Americans had almost as much objection to well-mannered tyrants as to the brutish kind. Americans were known throughout the world for their assertion of a God-given inalienable right to live free of all varieties of political tyranny. Now, though they still hate the brutal tyrants, they appear to be succumbing rapidly to the worst tyranny ever conceived which is national socialism.

All the despotic governments of this century have preached the creed of national socialism. Mussolini, Hitler and Stalin did not, like the tyrants of old, claim a divine right or a class privilege. Each professed only that the welfare of the people was his objective. But, for the good of all, the state must rule, and all people must be servants of the state. Denying that the privilege of making all decisions was for the purpose of personal aggrandisement, they nevertheless succeeded in procuring for themselves greater power and greater luxury and pomp than existed even in the most despotic of societies.

Socialists, as contrasted with Communists, are generally soft-handed tyrants. They want to be

liked and respected. They honestly believe that they are more capable than the rank and file and for the good of the masses they think they should rule. They are convinced that individualism is selfishness and results in social irresponsibility.

The socialists promise that, by using the compulsory powers of government through political planning and direction, the wasteful competition of private enterprise will be eliminated. To sugarcoat these promises they offer to relieve the individual from the risks of self-protection and self-support. After 20 years of this trend we find members of both major political parties arguing, not over the relative merits of individualism as against statism but, over the degree to which we should enter into socialism. For more than 20 years there has not been a candidate who has attempted to show that compulsory regulations of all kinds, having already been adopted, might be wrong in principle. Instead they have argued only over the question as to how rapidly we should accept additional applications of socialistic principles.

The United States, since the forming of the nation, has led the world in giving prominence to individualism. Under the Constitution we were the foremost nation to restrain the power of the state. Under a minimum of government, we achieved world dominance in a relatively short period over nations which had known nothing but domination by the state for hundreds of years. Despite this rapid development under a system of individualism we have, during a period of approximately 20 years, given back to power-hungry politicians most of the privileges which impoverished and embroiled the nations of the earth for countless generations.

It is not too late for America to return to the form of government which gave great prosperity to its inhabitants. But such government can be retained only with the adoption of individualistic principles.

Simple Outline — Sixpence

An eight-page booklet entitled "Simple Outline of Economics" has recently been produced by the Henry George School of Social Science at 4 Great Smith Street, London. Inflation is skilfully explained in one brief paragraph.

"In seeking an answer to the question 'How does inflation arise?' note (a) by the term 'Labor' is meant 'Human exertion in production of Wealth.' From the total wealth produced all the people in the community must live. Now if 60 per cent of the man-power is transferred to the Forces and the manufacture of armaments, then the results of the labor of 40 per cent much be shared by all. As the members of all these services receive money, it must be taken from the community by extra taxation or the Government can issue more money. When more money is issued its value declines. This is inflation, the symptoms of which are increased prices. Inflation is a subtle form of taxation which hits hardest at those with fixed incomes, and at all savings."

a system which each of us trusts and depends upon. It is the "probability" system, the balance of all known facts.

If I am to convince a man of the wisdom of the "land equity principal" I must do it on his terms. I must justify it as a probability. When I stop him on a street corner for a discussion of taxes he is momentarily delayed in his pursuit.

He knows, intuitively, that I have only one reason for stopping him. It is that I want something.

He assumes, unless there is evidence to the contrary, that I may get in his way. I must assure him . . . not just his rational mind but his whole spherical awareness which will not take orders . . . that what I want and what he wants will not necessarily collide.

He doesn't trust logic, and properly so, but he does trust his intuitive mind . . . and his sense of humor.

Something funny happens, we both laugh, he knows that our perspective is the same. He knows we are kin, that there is a mutual bond, and we can proceed from there.

Laissez Faire in History—Fact and Fiction

By EDWIN PHELPS

To examine the definition and decadence of laissez faire is to be confronted with a basic problem of social existence—today as well as when the phrase was coined. That problem is, *How should government function in the production for social maintenance?*

The conflicting ideologies of the current scene, with the nations gearing for moral conflict, makes crystal clear that the solution, if one is to be found, rests on an adequate appreciation of the individual and the social order. This prospect of a staggering catastrophe, which the people of 1951 face, is not a circumstance of sudden creation. Rather, it is the fruit of a century or two of endeavor to predicate the functioning of government on the antithetical doctrines of "natural rights" and "socially-derived rights." These doctrines take generically opposing views as to the place of the individual and organized society. Here are some facts with which the attempted answer must reckon.

"Mature individuals unite to form families, but these families beget immature individuals," wrote Ernest Hocking of Harvard, in *The Lasting Elements of Individualism*. "No individual or set of individuals can be said to have founded 'the family' as an institution. So with the state, dependency seems to run both ways—the citizen depends upon the state, the state depends upon its citizens . . . the state is prior to the individual and the individual is prior to the state; here is an alternating current or cycle in which neither can claim absolute priority."

Later in his book, Mr. Hocking comments, "men are not born as independent, self-sufficient entities;—they grow slowly toward separateness of being and destiny . . . Hence, there was law in the world long before there were individual rights."

In England in the first quarter of the nineteenth century there developed and became most vocal, proponents of the doctrine of "Natural Rights of Man." These proponents were opposed to the extensive legislative control of men in industry and commerce already secured and being further sought by the ruling "conservative" class. The program of these proponents of natural rights became designated as "individualism." In their organized political activities they were tagged with the label "liberals." Their estimate of government in the affairs of men was declared to be expressed in the concept of laissez faire:—let men alone in industry and commerce.

Incidentally, it may be noted here that during the contest between the liberals and conservatives, there emerged a group of socialists known as the Fabians. Their contention was that, in the interests of the best welfare of all the people, the state should own all the factors of production, thus controlling production for social maintenance.

For a century and a half, writers of lasting fame have debated these differing concepts and theories of liberalism, conservatism, and socialism. Which has acquired the ascendancy in the past, and seems presently to command the greater allegiance of mankind—much to the apprehension of the advocates of "individualism"—is self-evident. Recognizing these facts, it is natural for one to wonder why "individualism," as advocated by the liberals, has failed to secure greater consideration in the present affairs of men.

Hocking's contention is that "liberalism"—of which "individualism" is the kernel—failed for three important reasons.

1. FAILURE TO ACHIEVE SOCIAL UNITY. Unity is not natural. Experience proves that it has become progressively hard to get. It is not a habit inherited from feudal society. Society is not an organism, as some contend, since, as is not the case with cells in a true organism, individuals in society can set up an independent life within the society. The larger the social group the more difficult the achievement of unity.

After pointing out how the political state, because of its division and sectional interests, has no such unity of purpose as an operating railroad, and also pointing out how business finds it impossible to be concerned with interest in the rank and file, the author concludes that "action as a whole and for the whole is beyond the reach of purely individualistic enterprise."

2. RIGHTS WITHOUT DUTIES. "Right" has become attached to the ambiguous word 'natural'; and a natural right would appear to be one with which a person is born, one which he cannot help having, one for which he has paid no price, and has no price to pay; furthermore, one of which he cannot divest himself, and of which no one can deprive him. This latter property is conveyed in the term 'inalienable'.

"For the mature person, there are no unconditional rights. And the assumption that there are such has passed with the altered times from a useful encouragement to a pernicious flattery. . . . The conditions of all right are moral conditions; without goodwill all rights drop off."

After discussing John Locke, Hocking declares, "being born free and equal meant . . . simply an immunity from being exploited; and that this situation carries with it an imperative duty to refrain from exploiting anyone else. To claim a right is at the same moment to attribute it to others and their duty to my right is reciprocated in my duties to their rights. For every right received, then, there are innumerable duties payable. That right of 'equality' which defends me from arrogance of a thousand pretending superiors defends me a hundred thousand against my own arrogance. Hence, the cry of 'my right' should never have been uttered except with the undertone of a vast humility."

After illustrating the many ways in which many people convert "inalienable rights" into privileges at the expense of the community, the author concludes, "when the common stock of America . . . is thus corrupted through long, insidious schooling of rights receivable and duty free, liberalism has not merely shown a flaw, it has undermined itself and prepared the way for a general regime of dependence."

3. EMOTIONAL DEFECT. Man is neither good nor bad. In the course of his growth he becomes something of both. "No strong social order can be built on the basis of the amiable sentiments alone."

Liberalism has bred a race of self-confident, vigorous men, but it has not bred a race that can be trusted with power. "It may be a half truth, but hardly deniable, that the dominant note in American education has produced a nation of spoiled and juvenile minds, unable to think, devoid of the power of self-criticism

John C. Lin

GOVERNMENT costs are now met by taxes which fall almost exclusively on wages and industry. This will be defended on the grounds that we must have government—which is true—that government costs money—which is also true—and that taxes on the products of labor and capital are the best and about the only way in which substantial sums can be raised—which is not true. The expenses of government should not be met by the labor of individuals but by that value which comes into being without anybody's labor. In short, land value.

The immediate effect of taxes on labor products is higher prices for goods, decreased demand, curtailed production, shrinking profits and fewer jobs. In most communities land value is taxed but lightly, if at all. New York and Pittsburgh are our only sizeable cities to secure a substantial proportion of their municipal revenue by such method. In both those cities land is under-assessed and less than one-third of the rental value is collected. Thus land holders, as such, very largely escape tax free.

The taking by the community of the community-created value of ground rent for the common expenses of the community would have the opposite effect. Taxes on labor products could be remitted to the extent that land-value taxation was applied. Lower taxes on labor products would mean increased demand for goods—increased demand would mean larger production. Moreover, owners would have to put their idle land to work or relinquish it.

and therefore incapable of mature political responsibility."

Society is a composite of individuals each with desires—natural and acquired—for which all but the most unusual individuals are willing to labor to satisfy. Is not that society likely to be the best wherein the individual is vouchsafed the greatest freedom to undertake the labor which offers him the best fulfillment of his desires? That is but a recognition of the fundamental premise of economics that "man seeks to satisfy his desires with the least possible effort." Along with that, one must recognize that man's strength is in his association.

Realizing the paths along which man's inade-

The block contains four postage stamps arranged in a 2x2 grid. Each stamp has a unique illustration and text:

- Top Left:** Illustration of a hand holding a pen. Text: "Postage 97c", "Total Taxes 34c", "YOU PAY \$1.31", "WHO ISN'T A 'TAXPAYER'?"
- Top Right:** Illustration of a paint can. Text: "Paint \$2.42", "Total Taxes .88", "YOU PAY \$3.30", "DON'T BLAME CRAFTSMEN FOR HIGH PRICES"
- Bottom Left:** Illustration of a tire. Text: "You Even Pay Taxes on the Air in Your Tires!", "WHO ISN'T A 'TAXPAYER'?"
- Bottom Right:** Illustration of a soap box. Text: "Soap 20c", "Total Taxes 7c", "YOU PAY 27c", "WHO ISN'T A 'TAXPAYER'?"

Many Henry George News readers are using size). As announced by Noah D. Alper in the SE 35 Street, Chicago 16, the innovator of these stamps upon receipt of a stamped addressed envelope.

ohn Says—

Thus employment would be stimulated, since you can't put land to work without putting men to work.

All this could be brought about by the simple procedure of taxing land values in full or approximately in full, and reducing in offsetting degree taxes on labor and capital. Landowners would lose nothing that is rightly theirs. Ground rent which they now retain is merely payment for privilege, the privilege of occupying sites to which superior desirability has been given by the people as a whole. It is only right and proper that those who benefit from such privilege, the owners of land, should pay for it.

It is true that landholders would have to forego the rent they now collect from tenants or which comes to them when they sell the product of their land, but it is also true that they would benefit by the reduction in other taxes, since there are exceedingly few people whose incomes are entirely or even mainly from ground rent. And it is true, too, that with the collection of ground rent for the public use the selling price of land would tend to disappear, since selling price is merely net rent—the rent the owner may retain as his own—capitalized. That fact, however, would mean little save to speculators. While he could not sell his holdings for any appreciable sum, the landowner could add to his holdings, or take a new location, with only a nominal outlay, if any, and payment of rent.

—From the September *Lincoln Letter*

quately-conditioned potentialities lead him is it not inevitable that if such association is to be most fruitful for the well-being of the social unit—predicated on the best well-being of each individual in that social unit—directive influences will have to be agreed upon? Will those directive influences not have to seek to establish an element of equality of opportunity in that association? Is not that, then, the function of government in production for social maintenance?

Has the seventeenth-century idea, of which *laissez faire* is supposed to be the epitome, come into collision with the twentieth-century facts of life?



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Conceived in Liberty

By MARSHALL CRANE

DID YOU KNOW that there are eight cities and towns in the United States called "Independence?" "Sa fact. And there are seven others named for "Liberty" and two for "Freedom." These communities are scattered across the country from the Atlantic to the Pacific and from the Canadian border to the Rio Grande, in sixteen different states.

Freedom, liberty, independence . . . The pioneers who cleared the wilderness to found these settlements had not been slaves or peons. Indeed, they came from societies which were remarkably free, judged by present-day standards of freedom. But, fortunately, men are born in every age who are never free enough, who always long to be really free, and who are willing to risk their lives and substance in the search for freedom; men to whom "security" is a degrading mockery if its price is oppression.

The earliest coins struck by the United States Mint bore upon their obverse the head of a slim, dynamic maiden with freely flowing hair, a perfect embodiment of the idea of liberty. The artist who designed them had been a signer of the Declaration of Independence. His son wrote a lyrical declaration of independence too, a song honoring the brave men who had "fought and bled in freedom's cause."

When national independence was new it was natural that settlers, in the first glorious flush of victory, should name towns after the freedom they had just won. Still, while the Liberty on our coins soon became a plump, staid, conventional matron, the love of freedom did not lose its youthful vigor. Indeed, most of the places whose names honor liberty date from long after the Revolution, and are in sections of the country which were then unknown.

A new settlement was a deadly gamble for the first century of our history, and liberty must always be of prime importance to men whose very life depends on their own efforts. Conditions being what they were, it is hard to imagine how these tiny outposts, and the hundreds of others like them, could ever have become what they are today if private enterprise had not enjoyed a very considerable degree of freedom. The pioneers who named their villages for liberty were better godfathers than they realized.

It is a strange and sad paradox that as their economies become organized and more efficient men are inclined to forget that they must be free to live fully and nobly; that they should sell their birthright just when it is promising to increase in value. For all nations are conceived in liberty. How few persevere in it!

History teaches no more cogent lesson than that freedom is essential to human progress. And societies are free only to the extent that the men who compose them are free; free in their persons, thought, speech and movement; free in their work and in the possession and disposition of its products; free to trade in free markets; and free to occupy the earth and to use its natural products.

Everyone can profit from an occasional refresher course in this lesson. Even the searcher for freedom will be strengthened in his purpose.

From it the pursuer of the will-o'-the-wisp of collective security may perhaps awake to the realization that collective poverty is no less bitter than any other kind, and that euphemisms like "austerity" are not specifics for malnutrition.

It may suggest to the rabid nationalist that he cannot raise physical and legal barriers against the despised foreigner and the products of his thought and labor without also buttoning himself into an uncomfortably strait jacket. He may be brought to see that it really is easiest to settle disputes with his friends, and hardest to become friendly with those whom he does not see. He may even realize that attempts to solve his problems by violence are as futile as they are expensive.

Lastly, the Single-taxer (you should pardon the expression!) must remind himself, now and then, that the socialization of ground rent can do very little good unless the economy in general is comparatively free to react to its influence. Insofar as production and consumption, imports and exports, wages and interest rates, prices and markets, are controlled by the political power, whether by decree, subsidy or tariff, economic laws are affected, usually adversely, and too often to the point of nullification.

Henry George's "remedy" actually is a remedy. But it will function properly only to the extent that natural laws are permitted to function. If the Georgist sees only the precious seed in his hand, and is blind to the condition of the soil in which it is to be sown, he is in danger of losing his battle, the greatest battle of all, the battle for freedom.

Fairhope's Single Tax Colony

By C. A. GASTON

FAIRHOPE has proved Henry George's conclusion that labor applied to land is essential to the production of all wealth, that such labor is also essential to the production of capital, and that capital must depend on labor for its productive employment.

The colony's greatest attraction was to those who had the least capital. These availed themselves of its offering of free access to undeveloped land. They went to work, some with little more than their bare hands and the sinews of their physical bodies. By their own labor they acquired both wealth and capital, working for themselves and for others, in the production of wealth and the performance of personal service. The Fairhope of today would not exist except for these.

Though the colony plan is unattractive to capital seeking investment in land speculation, it offers favorable opportunity for its investment in productive and commercial activities. This is evidenced by the fact that though the colony plan is applied to less than one-fifth of the land in the City of Fairhope, \$1,206,535 of its 1950 assessment roll, almost two-thirds, represents the assessed value of the colony land and the investments in homes and businesses of those who occupy such land.

While the increase in value of the privately-owned land goes to the owners of such land, some of whom do not live in Fairhope, increases in the value of the colony land are collected by its corporation as increased rental values. The colony corporation uses the funds so collected to pay for its lessees their burdensome property taxes, to improve streets and sidewalks and for other public benefits.

—Excerpt from a longer article published in *The Alabama Local Government Journal*, June, 1951.

Letters

To the Editor:

Contrary to the views expressed by Robert Clancy, in answer to my August letter, Henry George made it clear that he believed that rent does absorb all of the benefits of material progress. This being the case, it would be impossible for wages to increase even as a proportion. George goes even further than this and takes the position that wages fall as a quantity, as well as a proportion, where land is fully monopolized. He even claims that material progress is the cause of this fall. On page 9, *Progress and Poverty*, he says and I quote: "Material progress not only fails to relieve poverty but actually produces it."

How, let me ask, could it do this unless its effect is to lower wages as a quantity? That Mr. George believed that wages do fall even as a quantity, with the increase of material progress, is evidenced by his remarks on page 257 of the same book, wherein he referred to wages falling *absolutely*. On page 12 he further states that want is increased with advancing wealth, which if true can only mean that wages must fall as a quantity to produce greater poverty.

Mr. Clancy chides me for relying on statistics to prove my case, and says that I should rely more on intelligent observation. It is true, of course, that statistics are not always reliable. They are seldom 100 per cent correct. On the other hand, the figures put out by the Bureau of the Census and other government fact finding agencies, are quite reliable and are used by business men and economists alike. They do point to definite trends, which no economist will ignore. These figures show that real wages as well as nominal wages have greatly increased over the years; that the standard of living for our workers has continued to rise with the march of material progress, and last but not least, that invention, which is the hub of material progress, *has actually increased the opportunity for employment*. This increase in the number of jobs per thousand of population helps to explain the increase in wages.

As Mr. Clancy prefers not to trust statistics, why doesn't he too put more reliance on intelligent observation in his evaluation of this problem? All he needs to do is to read his history to see how the workers lived a hundred years ago and then observe how they live today. Ordinary every-day observation will convince any unprejudiced mind that they have far more of the material things of life than did their forefathers of a hundred or even fifty years ago. This same observation should also convince him that the workers have a higher standard of living in those countries where material progress has been the greatest. Had it not been for the ravages of recent wars, these living standards would be even much higher. This being true, then it stands to reason that material progress has gone to raise real wages as well as rent, which is the point I tried to make in my former communication.

In closing I am going to stick my neck out again by challenging Mr. Clancy to prove his contention that the trend of wages has been downward as a proportion, while rents have proportionately increased with the march of material progress. He knows that there is no evidence to warrant such an assumption.

—DON L. THOMPSON
Spokane, Washington

Reply to Don L. Thompson

I would like to ask Mr. Thompson to perform a mental experiment: Let him start out from Spokane, Washington, until he comes to the best free land available. Let him then settle and make his living there. Then I would ask him to imagine he is doing the same thing, say 75 years earlier, and tell us in which period he believes he would find his situation better. I also ask, does the general level of wages depend on the margin of production?

If material progress has brought the blessings that Mr. Thompson counts, why are there perpetual labor union struggles, an increasing clamor for "security," minimum wage laws and the rest, and a heavy reliance on our monstrous armament program, supported by monstrous taxes, to keep the economy going?

In a footnote to "The Problem" of George's *Progress and Poverty*, Henry George says: "It is true that the poorest may now in certain ways enjoy what the richest a century ago could not have commanded, but this does not show improvement of condition so long as the ability to obtain the necessities of life is not increased. The beggar in a great city may enjoy many things from which the backwoods farmer is debarred, but that does not prove the condition of the city beggar better than that of the independent farmer."

—R. C.

[Both participants promise the above is their last word on this subject. Ed.]

To the Editor:

I do want to acknowledge this good contact of America with Europe, which is necessary and much too scarce as yet. Indeed the great problem is to combine social justice with private initiative. I do believe, however, that you mistake the signs of your own wonderful and successful economy.

Americans are prone, with many others, to see money and private gain in economic wealth as the prime mover of men, because, especially in America, people are seen working hard for high and increasing wages. You believe that if only the economic angle is somehow met, all will be well. From personal experience in the United States, I would suggest that money gain is only an outward result. The inner spirit of true democracy raises man from an economic unit to spiritual identity as the son of God — which is the impulse of your great growth and world leadership.

Europe, and especially Holland, with which I am familiar, is far in advance of the United States in land reform and other socially beneficial measures. All land in the city of Amsterdam is community owned and rent is paid by the occupier to the community. Absentee ownership of farms is gradually being abolished by a law which makes sale of land to absentees illegal. But private initiative in Europe is being crushed under an avalanche of bureaucratic interference. Instead of these social measures increasing the freedom of men, they merely increase his dependence upon outward care; like the seagulls in the well known American parable, they would starve if the state ceased to coddle them.

Freedom is a dangerous way of life. It must be gained each day anew. And only as men gain freedom, will their obedience to just laws of the land come from within, and make for an equitable and harmonious society. Because America still asks much of the individual in private initiative and responsibility, America is

David Lincoln, Sperry Engineer, Appointed to Board of Trustees



DAVID LINCOLN of the Engineering Department, Sperry Gyroscope Company, was appointed a trustee of the Henry George School at a recent meeting of the board, where his personality, judgment and enthusiasm will be welcomed. He is twenty-

five years old and the youngest school official on record. After graduating from the California Institute of Technology in Pasadena he took a position on the West Coast, and two years ago came East to join the Sperry firm at Lake Success, Long Island. A year ago he married Joan Rechin of Texas, who was a college friend in California, and a graduate of Scripps College. (The photograph was snapped at his wedding).

David's father, John C. Lincoln of Phoenix, also an engineer, is president of the Henry George School, author of the Lincoln Letters, and founder of the Lincoln Electric Company in Cleveland.

strong. Let it beware of worshipping economic safety.

Inasmuch as your work makes people think, you are doing necessary good. I wish you success and an increasing number of intelligent and enthusiastic students.

—HARRY BOISSEVAIN
Bloemendaal, Netherlands

To the Editor:

You will take note of the present strike situation; obviously capital is unable to provide labor with wage increases, due to government price controls and other restrictions (under the pretense of a national emergency), while the landlords as such continue to get away with it.

The government's next move, whether now or later in the year: They will send in the army and force the strikers to return to work, even though both capital and labor will be working at a loss; thus you see the preliminary signs of a state dictatorship, you will be forced to work harder against your will, as in Soviet Russia.

Of course there's that "arms race" which has been inspired by the politburo; they know that under our present faulty system, this arms race will leave hungry, demoralized millions, and to date our government officials are falling for this trick.

—R. E. FLEISCHMAN
Montreal

Neither Justice Nor Benevolence

"Whereas justice is a negative quality — the absence of all positively unjust acts — benevolence is a positive quality," wrote Ernest Bloomfield Zeisler, "the performance of benevolent acts not required by justice. A man living alone on a desert island has no opportunity to commit any unjust acts, so that his behavior is necessarily just; he also has no opportunity to commit any benevolent act, so that he is just and not benevolent."

An omission occurred from these trenchant statements in Mr. Zeisler's article in the September Henry George News, and we are dismayed to find how easily one may become the perpetrator or victim of unintentional injustice.

Editorial Consistency

THE New York Times is celebrating its 100th Anniversary this year. We congratulate our colleague on its first hundred years (which, they say, are the hardest), and we look forward to the day—in another 92 years—when The Henry George News will be similarly celebrating.

We hope it will not seem ungracious to remind The Times that when it was forty years old, it had this to say editorially (January 10, 1891): "We have no hesitation in declaring our belief that the ideal taxation lies in the single tax, laid exclusively on the rental value of land, independent of improvements."

One of the nice things about The Times is that it changes so little over the years. We hope this is true of the above editorial comment.

—R. C.

San Francisco

With an overflowing measure of charm and good sense, Kathleen Norris, the novelist, spoke on "Henry George—Our Prophet of San Francisco" at the Henry George Day celebration in the Palace Hotel September 5. In the course of her talk, Mrs. Norris painted a vivid picture of the contrasts of wealth and poverty she had seen in China, and told how among those pleading for more American aid had been some whose incomes measured a million dollars a week. Mrs. Norris was introduced by her brother, Joseph S. Thompson, president of the Board of Directors of the Bay Area extension.

Twelve basic classes opened the week of October first. New class leaders are Mrs. Caroline E. Thompson, Glen Dutton, Scott Brant, Herbert Pitkner, Arthur Linahan and Joseph Manfrini. These classes were publicized by a committee of 30 who met at the Palace Hotel September 7 to plan the campaign. William Greenbaum is chairman.

St. Louis

The St. Louis extension has scheduled 11 classes with *Progress and Poverty* as the text, and one class in *The Science of Political Economy*, in this its thirteenth year fall term. Mrs. Kathleen Raikes, who took the basic course in New York, is returning as a class leader after an absence of some years. Other new leaders are Arthur Bredemeyer and Gietner Hibbeler.

Noah D. Alper, St. Louis director, was a representative at a Schools-of-Living conference at East Bay Camp, Bloomington, Illinois, September first. Ralph Borsodi is the founder of these schools whose aims are to teach and demonstrate normal living and to encourage a major amount of independence and home rule. Mrs. Mildred Jensen Loomis, editor of *The Interpreter*, Brookville, Ohio, is one of the prominent Georgists who is active in this important decentralist movement.

Ohio

A newly formed Cleveland Henry George School extension committee, with R. W. Eichenberger as its chairman, was organized as a result of a meeting on September 10. Those who attended were: R. W. Eichenberger, Stanley Wytzywalski, J. L. Schaefer, Gustave Falk, Basil Butchko, Mr. and Mrs. George Newton, S. Banasik, Mrs. Elva Billett, Lawrence Rep, John W. Weir, Earle Spence, J. Y. McClelland, James Hair, Joseph Skinner and Mr. and Mrs. William Cerny. William J. Toseland, a guest from Canton, Ohio, would like to hear from other Canton friends of the school. His address is 2948 Maple Avenue.

Australian Jubilee

E. J. CRAIGIE, Ex-M. P. of South Australia has available at the modest price of fourpence, a 16-page booklet entitled "Jubilee Without Jubilation." Fifty years ago the six states of Australia became a federated body, and that seemed to this wise Henry George man a good reason to celebrate what is popularly known as the "Jubilee," based on the Jewish Dispensation.

Mr. Craigie sums up the Jubilee policy briefly as "one which permits of the free play of economic laws, thus ensuring that the value created by the community shall be taken into the public treasury for the benefit of the community; at the same time leaving sacredly to all individuals the values created by their individual use of labor and capital in the production of wealth."

Philadelphia

More than thirty Philadelphia extension members participated in the Henry George Day celebration at Arden, Delaware on September 2, including Edwin S. Ross a former Philadelphia director, and member of the Ross family in Arden. Other speakers were Katherine H. Ross, Don Stevens, Harold Ware, and Howard B. Freeman of Utica, New York.

Jacob Thomas Ames, a recent graduate is busy making plans to improve the promotion material and choose new advertising media. Philadelphia is losing another valuable faculty member, Jack Lindemann, who has been assigned to teach at Old Fort Dupont, Delaware.

New Jersey

The fall term opened the week of September 24 with 5 fundamental classes at headquarters. (On October 26 the New Jersey school will celebrate five years of occupancy at its headquarters' building, 1114 Broad Street, Newark.) Other New Jersey classes are being conducted in Hackensack, Elizabeth, Roselle Park, Summit, Basking Ridge, Perth Amboy and Free Acres. The class in Free Acres—a Henry George enclave—was organized as a result of a discussion following a talk on "Can a Single Tax be practical," by John T. Tetley.

Advanced courses are in progress at Newark headquarters on Thursday evenings. A course on "Leadership Development" is being given on Tuesdays, and a new 5-week course entitled "Problems of International Trade" opened September 27.

"Why hasn't Russia started a hot war?" is the question dealt with on 25,000 two-color announcements which were mailed from Newark. Assistant Dean, Louis N. Perna, Gorman Loss and John Devoe formed the committee in charge of this mailing campaign. Faculty meetings will be held the first Friday in every month.

Chicago

Frank Lloyd Wright will speak on "The Arts and Industry in a Controlled Economy," on October 4, at the Wedgwood Room of Marshall Field Company. This will open the fifth year of Commerce and Industry luncheons, under the chairmanship of C. Bayard Sheldon. Mrs. Paul S. Russell will introduce the noted architect and author.

The Freedom Lecture Series begins on October 16 at 8 P. M. in John Marshall Law School, with Harry Gunnison Brown as speaker. Tickets for the series of nine lectures are \$5.

Glenn E. Hoover of Mills College, Oakland, spoke at the LaSalle Hotel on September 13. Dr. and Mrs. Hoover will spend a sabbatical year in Europe.

Land Tenure Conference

THE University of Wisconsin has announced a World Conference on Land Tenure Problems to convene in Madison on October 7 and continue through November 10. At least seventy foreign agricultural experts will attend, from fifty nations, for the purpose of discussing land reform and other land tenure problems which limit full economic development in many parts of the world.

Three federal agencies are cooperating with the University of Wisconsin: the Economic Cooperation Administration (Marshall plan), the State Department's Point IV Administration, and the Department of Agriculture. No ready-made answers are expected, but the delegates from free nations will have a chance to study common problems and compare notes.

Hartford and Detroit Have New Headquarters

James A. McNally of Hartford, on a recent business trip to New York, dropped in to say that extension mail should now be addressed to 54 Church Street, Room 507, instead of 68 Farmington. Church Street is in a busy section of Hartford, and more activity is being planned.

Robert D. Benton of Detroit has moved his extension headquarters to 8409 Woodward Avenue, with grateful thanks to Robert Smith, who made the Guardian Building office available to him as a beginning venture. Mr. Smith has been showing a series of films entitled "Land of the Free" to about 50 organizations in Detroit.

Favorable connections have been made with local high schools where it is hoped future classes will convene. Posters, advertisements and 3,000 cards announced Detroit's fall schedule.

New York

"Democracy versus Socialism," "Lopsided Taxation," "The Shrinking Dollar," and "Government in Business," are a few of the subjects offered for discussion by some 40 faculty members on the Speakers Bureau. David Goldstein, new regional secretary, has announced that already 25 organizations have asked for speakers during the fall.

The headquarters' staff, after a number of replacements, is streaking off for a fresh start. Helena Pajeci, the accomplished new bookkeeper, succeeds Lydia Wacker who has been offered an opportunity for a Fulbright Scholarship. Eileen Kearns replaces her sister Peggy as assistant registrar. Helen Naihous is now secretary to the head of the Correspondence Division, Bennett Challis. Edward Mallicoat, the new coffee shop manager, offered an excellent, well served dinner at the first faculty meeting on September 19.

Among the guests at the faculty dinner were Sidney J. Abelson of the Henry George Foundation; Robert Major, Hungarian Georgist, late of Italy; and Edward Fochl, a graduate of the Woodhaven (Long Island) extension, who demonstrated the use of a tape recorder as an aid to better teaching. Fourteen such regional classes have been arranged in addition to 20 basic and 15 advanced classes at headquarters.

The alumni association known as S.A.G.E., planned a moonlight cruise around Manhattan on September 29 to start off the social season. The next event is a dance on October 27 at 50 East 69th Street at 9 P. M.

The Confiscatory Income Tax

By HENRY WARE ALLEN

IN VIEW of steadily-increasing taxes it would seem to be in order to consider the source of greatest revenue, the income tax. It was the shrewd founder of state socialism, Karl Marx, who in the year 1848 in his manifesto urged the adoption of a graduated income tax as an effective way to equalize the ownership of property. In the early years of the present century a demand was generated in the Middle West for a federal income tax in retaliation against the advantage enjoyed by eastern manufacturers from the protective tariff. This was the reasoning of politicians: that two wrongs cancel one another, thus resulting in what is right. It happened, however, at that time that a federal income tax was declared by the Supreme Court to be unconstitutional. This was fortunate but not conclusive. For the Sixteenth Amendment which became effective in the year 1913 was passed and it opened the way for the income tax as we have it today.

During the fiscal year ending June 30, 1950, there was collected by the federal income tax, by the unfair consideration of ability to pay instead of payment to the government for equivalent services rendered, the great total of \$37,957,131,768.37. The effect of this tax was not only the confiscation from one class for the benefit of another class, but it had the further effect of turning over to Congress a huge revenue not previously enjoyed and consequently to provide new ways of spending public money with consequent advances into the realm of state socialism.

The graduated income tax is in reality not a tax at all. It is confiscation pure and simple. An honest tax is a payment by a citizen for the equivalent value of services rendered to him by the government. Incidentally, the value of these services is registered most accurately by a tax upon land values. The graduated income tax, on the other hand, bears no relation whatsoever to specific services rendered by government to the individual. The equalization of wealth was its original intention and that is its actual effect.

From an ethical standpoint it is quite as wrong to steal from a rich man as to steal from a poor man even though the rich man might not suffer at all while the poor man might suffer severely, and in this connection it is equally true that the same moral code that applies to individuals applies with equal force to governments.

Who can measure the unfortunate effect of unjust laws and regulations upon the public mind? Subconsciously or otherwise it will be assumed by many that if the government habitually confiscates the wealth of citizens without giving equal services in return, why is it not legitimate for the individual to do the same thing? Such reasoning would, of course, justify shoplifting and stealing of all kinds, particularly where no direct suffering would result. The very fact that detective agencies report an unusual amount of dishonesty at the present time may well be regarded as an effect of such unjust laws as the graduated income tax. The objection that the income tax collects money for the good of all the people while the thief steals for his personal benefit is no excuse for governmental breaking of the moral code and will not stand.

The fact that the income tax during the last fiscal year provided Congress with additional

spending money of nearly forty billion dollars is explanation enough for the terrific waste of public funds on questionable measures and particularly the astronomical amounts of wealth that we have sent to Europe and Asia. It may be remembered that when Grover Cleveland was president he vetoed a bill which provided twenty-five thousand dollars relief for unfortunate farmers in the South and that with his veto message explained that that measure was wrong because it was unconstitutional and because it was the province of the people to support the government but not of the government to support the people. That we have strayed far away from the principles that prevailed in Cleveland's time is largely due to the huge sums of money that have been given by the Internal Revenue Department to the Congress to spend as it pleased.

The income tax has led to many unfortunate results, some of which are as follows:

It involves a serious move away from free enterprise toward state socialism. The number of employees in the Internal Revenue Department for the last fiscal year was 55,551. It is fair to assume that these individuals would have been engaged in productive enterprises but for their engagement in this unproductive measure.

The income tax forms are so complicated that they require expert advice for their preparation with the result that the principal work of an entire profession, that of certified accountants, is devoted to this service for twelve months of the year involving a heavy total of expense to taxpayers.

The income tax has added greatly to the cost of government, the total expense of its administration in the last fiscal year being over \$230,408,200.

The income tax provides opportunity, which has been frequently used, for the political party in power to exercise both punishment and coercion over its political enemies and likewise to favor its political friends.

In providing Congress with a huge additional revenue the income tax is directly responsible for governmental extravagance with welfare projects at home and contributions to the nations in Europe and Asia.

The income tax has set an example of excessive taxation and spending to the states, thirty-five of which now have state income taxes while thirty have state sales taxes.

The inquisitorial character of the income tax has the effect of prying into the private affairs of citizens and is abhorrent to the people of a free country.

In taking from those that have for the benefit of those who are less fortunate it sets an example for the individual citizen to do the same thing.

By imposing a wrong system of taxation upon the nation it prevents consideration of the right system of taxation as proposed by Henry George.

It is unfair. It confiscates profits but refuses to share in losses. In effect it says to the taxpayer, "Heads I win, tails you lose."

Its influence is unfortunate in creating conflict and friction between citizens and their government.

Hon. T. W. Phillips, Jr., former Representative from the 25th Congressional District of

Henry Ware Allen of Wichita, Kansas, on his 90th birthday last July, received congratulations from thousands of friends. Although blind 25 years ago, he is an inspiration to many. The local press called him "a valiant soul" and an "advocate of Henry George."



Pennsylvania, in May 1938 started a movement for the repeal of the income tax, which he characterized as an effort "to show up the fallacy and inherent dangers of taxation based on ability to pay." Said Mr. Phillips, "The Sixteenth Amendment to the Constitution of the United States makes it possible for the Congress by Statute law to change completely our form of government from the Republic to a Socialistic State, in fact if not in name. . . . Unless the Sixteenth Amendment is repealed or drastically modified, our system of government as established by the founding fathers will perish. While the Sixteenth Amendment is permitted to remain in the Constitution, the possibility of general prosperity for any considerable length of time is unattainable. The Sixteenth Amendment hangs like the sword of Damocles over all business. So long as it remains intact confiscation of property is imminent, regimentation of producers is impending, and conscription of labor is threatened."

It is much more difficult to repeal a bad law than it is to enact it in the first place. Nevertheless, repeal of the federal income tax is a challenge to the American people that must be met sooner or later.

Henry George Foundation Plans to Instruct City Councils in Tax Matters

"LOCAL option for the separate taxation of land values is now a reality in the 47 cities of the third class in this great state, the birthplace of Henry George. . . .

"Now we face the real test! The Pennsylvania Legislature has given us the keys to the cities. This is a great opportunity! How much it will mean to us and for the Georgist movement depends upon our ability to take advantage of it. We must strike while the iron is hot."

"Only Georgists appreciate the economic and social significance of concentrating taxation upon land values. . . . We ask every Georgist who is interested in this program of action to assist in every way possible."—From a letter by Charles R. Eckert, president Henry George Foundation of America, with headquarters at 417 Grant Street, Pittsburgh.

[The Henry George Foundation Congress meeting in New York, October 5-6 at the Park Sheraton Hotel, will be reported in the November Henry George News.]

