

Don't Say Prices Are High!

WAS anybody listening when, in a luncheon address to business men, industrialists, and students of the Henry George School in Chicago two decades ago, Harry T. Everingham explored "the trends of tomorrow"? Warning against inflation, "that sneak-thief which destroys the thrifty and depreciates all savings," he said, "I think it is a very serious misstatement to say that the price of goods is going up. In reality the value of the dollar is going down and the public's attention should be focused on the governmental action and policies which depreciate the dollar, rather than on the resulting increases in the price of goods." To say that the price of goods is going up prompts people to call for control of prices. That is like having a boy sit on a boiler safety-valve. It is likely to make the explosion worse when it occurs.

The picture was not pleasant even in 1950. How far would inflation go? The speaker recalled that any Frenchman who bought 40-year bonds in 1910 was being paid, if he hadn't starved to death, in francs as valuable as a centime was in 1910. While the U. S. might not go that far, the dollar could conceivably lose all value, as did the German mark. He felt we might be able "to pull ourselves out at a value of 40 cents or 20 cents," but thought inflation would not stop at any point short of complete disaster if an irresponsible administration continued to pump paper dollars into the economy, financing deficits with manufactured bank credit.

The other trend emphasized was the drift toward a national socialist form of government and the growing power of union leaders to create a Labor party. Recalling the National Socialist German Labor party, he said, "history indicates that such a labor-

socialist government would wind up with authority vested in one person, in a dictatorship." A labor dominated government here would continue to look aside as wages climbed and our money depreciated, and every effort would be made to bring as many as possible under central authority by the draft, by controls and with taxes. Rationing was seen as the ultimate control because it gives the bureaucrats their greatest power.

"We are gradually tending towards this socialist form of government," he said. Whether it goes under such labels as Fabianism in Britain, radical socialism in France, Fascism in Italy or communism in Russia, it is nevertheless socialism and it is based on government ownership of the means of production. The tendency in the U.S. was seen as being along the lines of government control rather than ownership — towards what is usually called national socialism.

Having been maneuvered into a permanent state of war, the speaker warned that we must adjust to those things which accompany modern war, and to that concept of life which war makes necessary. The Soviet Union was described as an expansionist empire constantly striving to widen out by attacking and absorbing its neighbors — the lust for land having not changed much from the days of Peter the Great. The freedom of a few months which the Russian people had under the Kerensky government was forcibly overthrown by the Bolsheviks. And though they called themselves communists, they departed so far from Karl Marx that the imperialistic oligarchy which resulted would have surprised him.

After Karl Marx's Communist Manifesto was published such a regime was started in Paris in 1871. It caused such terror that it was put down in blood

by the French people. Later, after the first World War, communist regimes set up in Germany and Hungary were driven out by arms in the hands of the aroused people. Communism has never taken over a country merely through penetration or education, or because of economic hardship. It has been forcibly imposed by an army aided by native traitors, and it can be maintained only by a ruthless secret police." This statement surely has been tragically borne out in the last twenty years.

A revolutionary enthusiasm of this kind, Mr. Everingham believed, must run its course. It might weaken as time passed and might find increasing opposition in its own territory. Its very expansionism was likely to prove its downfall. Our best course, he conjectured, might be to do what we could to slow the rate of its expansion, hoping that people all over the world would come to realize that our way of life was more humane.

If the future of our country was in jeopardy, he believed nevertheless that the people were united on the wish to preserve the Republic and its Constitution which insures equality before the law, representative government, public control of the public purse, and a system of checks and balances. Could it still be said today that "the people" wish to preserve that form of government which "has given more real happiness, more well-being and a better life to more individuals than any other ever devised by man, and which has been the envy of the world"?

"We have inherited the love of freedom which has always been the great

characteristic of the English-speaking race," the speaker concluded. "Now the trend is in the other direction. With the rise of government controls, our freedom has been curtailed. When the people allow their government more power, freedom languishes."

Mr. M. S. Lurio of Boston, who may not have been present at the luncheon, was sufficiently impressed to file away the entire text of the address.

No concentrated action was taken against depreciation of the currency when it was needed two decades ago. Instead people enjoyed the relief from tension which followed the war years. They lulled themselves into complacency with "it can't happen here," and later with, "a little inflation won't hurt." Those were the days too when Henry Georgists and others were frowning their brows over the study of booms and busts, and there were solemn vows that nothing like the depression of the '30s must ever be allowed to return. Then from the White House came the pill — the wicked sophistry that we could spend ourselves into prosperity from ever deepening indebtedness, as government agencies mushroomed. And because there had not been a war on American soil for a hundred years, what loyal citizen could ever have believed there would one day be destruction in the cities from an undeclared war?

Prophecies are seldom acted upon. Henry George tried to warn a fledgling nation born in freedom but free to lose it. A few serious public officials are just beginning to realize the forcefulness of his conclusions.

More than three thousand Yaqui Indians fled from Mexico in the late 1800's and up to the 1930's, escaping into Arizona and cherished freedom. Though many perished they continue to live there in shocking poverty — unskilled and unable to improve their conditions. Out of fear of being sent back across the border they tried to hide and never sought citizenship. The few who managed to complete a high school education are the leaders who are trying to find a new life for their people under a self-help and resettlement program.