

must strike Georgeists in the Western world as strange and odd. Their pursuits cannot serve as an example to young people living in vastly different circumstances. But all Georgeists should draw inspiration from them—and cherish the memories of those who gave their lives for the ideals in which we all believe.

In rather more propitious circumstances this band of Georgeist intellectuals would have left their mark on the history of human thought, perhaps even on world history. As it is, all that is left of them is a few lines devoted to them in a couple of periodicals with a limited circulation.

Mankind continues to rush towards its destruction and will not listen to their message. Yet, their message is simple, it does not require much intelligence or a lot of education to understand it. They were certainly not apologists for monopoly capitalism and they were most certainly not prepared to make their peace with Stalinism. They wanted to combine the new freedom from exploitation of man by man with the freedoms humanity had acquired in a centuries long struggle and which are now being lost in an ever growing part of the world. Will they find followers to carry on their message?

Justice and Charity

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Extracts from an address given at the San Diego conference of the Henry George School last July.

THE eternal verities do not change from year to year, as do the fashions in automobiles or women's cloths. Nor do the ills of our society result from our failure to find new truths, but rather to our failure to understand and accept the old ones. For this reason, as Justice Holmes once said, it is often more useful to "elaborate the obvious than to elucidate the obscure."

Notions of justice are important in all human relations, but there is time here to comment only on the just distribution of scarce goods and services. You will note that I said "scarce" goods, because, luckily for us, what economists call "free goods," the air for example, are normally so abundant that there are no disputes about the equitable distribution of them. If and when some evil genius develops a feasible way to "fence in" the air we need, we would pay tribute to landlords as we now pay tribute to landlords, but as yet we have been spared that species of extortion.

To reach any valid conclusion about the just distribution of scarce and useful goods, we must begin by noting the origin of them. There is, first of all, the planet on which we live, the product of Nature or of Nature's God. The more desirable parts of our earth are now the property of private persons, although neither they nor any of their predecessors produced it. Nor is the value of these private holdings the product of their past or present owners, but rather it derives from the population which surrounds them.

That all men should share equally in the free gifts of Nature is a thesis so obviously just that it appeals to all who can give it unbiased consideration. The practical way to respect these equal rights is not to attempt to "divide up" the earth, but to take the annual value of land for public purposes. To elaborate on these principles, before this audience, would be to question your ethical sensitivity and waste our time. . . .

Although one can, in the name of Justice, ask that the socially created value of land be used for public purposes so that all may share alike, we have no such equal right to the products of labour. Mankind, in all its stages of

development, has recognised that he who produces something has a special claim to it which must be respected by others. The same holds true for whatever he acquires by a free exchange on terms accepted by both parties. Justice does not require that he who goes out and picks the berries, catches the fish or cuts the wood is obligated to share them with others, merely because he is better off than his neighbours. Difficulties arise, however, when a group of men work together at a joint task. It is easy to tell what a solitary fisherman has produced. The fish that he brings home—if he is an honest fisherman—are those which he caught himself. But what does a worker in a large factory "produce"? He must have added something to the total value of the output, but how much? How can the value of his services be determined, if at all?

It has been said that where large numbers of men are working together it is impossible to determine the value of the services of any single worker. We are reminded that in the making of automobiles, for instance, there are involved not only factory workers, but also those who mine and smelt the ore, produce the fibre, the wood and all the materials which go into the completed cars. They all must ultimately be paid from the money received for the cars. But if each is to share according to the value of his contribution, how can that value be determined? The easy—but dangerous—answer is, that the problem is insoluble.

It is dangerous to conclude that we have no method for determining the value of a worker's service, because such a conclusion leads logically to a system of equal pay for all workers who contribute to a common task. Such a system of rewards, in my opinion, would be fatal to the economy of any people who would adopt it, except, perhaps, in small religious communities where the normal economic motives are suppressed, or completely eliminated. It is worthy of note, I believe, that the notion that all workers in a joint enterprise should receive equal pay finds no more favour in the USSR than in the USA. It runs counter to the common-sense of mankind, everywhere and at all times.

Fortunately, however, Justice does not require that we determine how much of the value of an automobile, for instance, should be attributed to each worker who has helped in the building of it. Justice requires only that each worker shall get a "fair" wage in the market in which he sells his labour. And if the word "fair" is to be more than a "weasel" word, it must mean a price for his labour determined, in the way "fair" prices for all goods and services are determined, *i.e.*, in a free, competitive market.

We are often told that there can never be free competitive markets, and that if there were, we could have no assurance that the prices determined in them would be just prices. The fact remain, however, that there are no alternatives to free market pricing, other than prices fixed by governments or private monopolies. Where competition is impracticable, as in the public utility field, prices are fixed by governments. With this exception, free peoples insist that goods be priced in free markets, and they may ultimately conclude that the service of workers be priced in the same way.

CHARITY is a topic more often discussed by clerics than by economists, but it plays an important role in the distribution of our goods and services. . . . The traditional distinction between Charity and Justice is becoming blurred. . . . We should not juggle the meaning of the words to deceive either ourselves or others. If and when we cannot support ourselves we should take our Charity "straight," to use a bartender's term, and not call government assistance a "pension." Let there be no further corruption of our English speech, for we cannot think clearly unless we use words according to their accepted meaning. We can afford all we now spend for governmental charity, and probably more, but we should not try to justify it by resorting to euphemisms, or pretending that things are not what they really are.

Another innovation in the field of governmental charity is that it is now often demanded for whole classes of

persons. The farmers, for instance, insist that they are not getting their "fair" share of the national income, and therefore all farmers, rich and poor alike, must be given governmental subsidies of one kind or another. Our protective tariffs are essentially devices which restrict imports and thus compel consumers to give charitable aid to producers. The builders and operators of our merchant marine, unable to compete with foreign companies, also demand—and get—what are essentially charitable payments from the Treasury.

The most recent development is the aid we give to needy, "under-developed" countries. Few of them can show that their "need" is the result of wars, natural calamities, or any worsening in the chronic poverty of their peoples. Consciously or otherwise, they measure their "need" by contrasting their poverty with the relative riches of other nations. In this way, the more productive peoples, by increasing their productivity, add to the "need" of the poorer ones, and therefore, presumably, should alleviate it by charitable grants. Appeals of this kind are often supported by implied threats that if not granted by the productive nations of the West, the aid will be asked of the USSR, or the appellant country will adopt a communist regime.

Many of us who favoured the Marshall Plan for war-torn Western Europe cannot agree that we should aid nations simply because they are "under-developed" and needy, and particularly so when requests are supported by threats. Such countries should be told that they can have free access to our private capital markets where solvent borrowers can always get loans for projects that are economically sound. We should tell them too that we will tear down our tariff walls, and every other barrier that prevents them from selling in our market, anything that they can produce and our consumers wish to buy. If such a programme is rejected as a churlish one that must be rejected in favour of communism, they should be told where to go—in the strongest language that protocol will permit.

HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

AT *Victoria* fifty-two new students enrolled for the Autumn term of economic study classes which began on September 23 and 25. The classes are being conducted at headquarters, 177 Vauxhall Bridge Road, S.W.1. Enquiries came mainly in response to advertisements in *The Observer* and the *Sunday Times* and from passers-by who had been attracted by the prospectus and other material displayed in the school's window.

The *New Eltham* branch had an almost embarrassing enrolment of 35 students for the Basic Course. Two classes were formed with Messrs. T. Maxwell and Stephen Martin as tutors. The advertised Science of Political Economy class which Mr. Martin was to have taken has been temporarily postponed. *Welling* branch also had an excellent attendance, more than twenty enrolling for the Basic Course which Mr. M. Monk is conducting.

Six tutors have been added this term to the teaching panel. They are: Messrs J. G. Bathe and L. F. Lord (*Victoria*), C. W. Nairne (*Mitcham*), K. A. Day (*Birmingham*), D. S. Brooks (*Portsmouth*), and C. H. Willis (*Isle of Wight*). Mr. Ron R. Blundell returned after a long absence to open a new branch at *Brentwood*.

As reports from the branches are not complete as we go to press, further details will appear in our next issue.

WANTED—for new regular feature

Starting early next year we hope to publish a regular "Readers' Miscellany." This will include anecdotes, book recommendations, clippings from the press, extracts from books, propaganda points and proposals, pertinent paragraphs, quotations, short reviews (about 350 words), and reminiscences. A cordial invitation to contribute *now* is extended to all readers.

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