

July—August, 1937

Land and Freedom

FORMERLY THE SINGLE TAX REVIEW

An International Record of Single Tax Progress Founded in 1901

Green Risings in the Philippines

Will Lissner

Causerie

Thomas N. Ashton

The Right to Strike

Henry Ware Allen

School News—Book and Pamphlet Notices

Correspondence—Personals—Miscellany

YEARLY SUBSCRIPTION \$2.00

SINGLE COPIES 35 CENTS

PUBLISHED AT 150 NASSAU STREET, NEW YORK CITY

LAND AND FREEDOM

An International Bi-Monthly Magazine of Single Tax Progress

Published by

SINGLE TAX PUBLISHING CO., 150 Nassau Street, New York

JAMAICA OFFICE, 147-17 95th Ave., Jamaica, Long Island

JOSEPH DANA MILLER, Editor

HERMAN G. LOEW, Pres., 150 Nassau St., New York City

GEORGE R. MACY, Sec., 150 Nassau Street, N. Y. City

SUBSCRIPTION PRICE:—In the United States, Canada and Mexico, \$2.00 per year. Libraries and Reading Rooms, \$1.00. Club subscriptions, 5 for \$7.00. Payable in advance.

Entered as second-class matter Oct. 2, 1913, at the Post Office, New York, N. Y., under the act of March 3, 1897.

JULY—AUGUST, 1937

VOL. XXXVII

No. 4 WHOLE No. 203

SPECIAL CORRESPONDENTS

ENGLAND: J. W. Graham Peace.

NEW ZEALAND: Hon. P. J. O'Regan, Wellington.

SPAIN: A. Matheu Alonso, Salamanca.

DENMARK: Abel Brink, Copenhagen.

BULGARIA: Lasar Karaivanove, Plovdiv.

J. J. PIXLER, Ester Utca 9. Budapest, Hungary.

INDEX TO CONTENTS

PAGE

COMMENT AND REFLECTION.....	103
GREEN RISINGS IN THE PHILIPPINES.....Will Lissner	105
CAUSERIE.....Thomas N. Ashton	108
THE RIGHT TO STRIKE.....Henry Ware Allen	112
REPORT OF THE HENRY GEORGE SCHOOL.....	115
REPORT OF THE SCHALKENBACH FOUNDATION.....	
.....Miss V. G. Peterson	116
THE HENRY GEORGE SCHOOL NOW UNDER PERMANENT CHARTER.....	117
HENRY GEORGE FELLOWSHIP FEDERATED CHAPTERS	121
WHAT I LEARNED IN SANTIAGO, CUBA.....	
.....Earl D. Jones	122
PORT NEWARK, SUCKERS AND SHARKS.....	
.....Chas. Joseph Smith	124
BOOK AND PAMPHLET REVIEWS.....Joseph Dana Miller	128
CORRESPONDENCE	129
NEWS NOTES AND PERSONALS.....	133

WHAT LAND AND FREEDOM STANDS FOR

Taking the full rent of land for public purposes insures the fullest and best use of all land. In cities this would mean more homes and more places to do business and therefore lower rents. In rural communities it would mean the freedom of the farmer from land mortgages and would guarantee him full possession of his entire product at a small land rental to the government without the payment of any taxes. It would prevent the holding of mines idle for the purpose of monopoly and would immensely increase the production and therefore greatly lower the price of mine products.

Land can be used only by the employment of labor. Putting land to its fullest and best use would create an unlimited demand for labor. With an unlimited demand for labor, the job would seek the man, not the man seek the job, and labor would receive its full share of the product.

The freeing from taxation of all buildings, machinery, implements and improvements on land, all industry, thrift and enterprise, all wages, salaries, incomes and every product of labor and intellect, will encourage men to build and to produce, will reward them for their efforts to improve the land, to produce wealth and to render the services that the people need, instead of penalizing them for these efforts as taxation does now.

It will put an end to legalized robbery by the government which now pries into men's private affairs and exacts fines and penalties in the shape of tolls and taxes on every evidence of man's industry and thrift.

All labor and industry depend basically on land, and only in the measure that land is attainable can labor and industry be prosperous. The taking of the full Rent of Land for public purposes would put and keep all land forever in use to the fullest extent of the people's needs, and so would insure real and permanent prosperity for all.

Land and Freedom

FORMERLY THE SINGLE TAX REVIEW

VOL. XXXVII

JULY—AUGUST, 1937

No. 4

Comment and Reflection

THERE is a remarkable chapter in Henry George's "Social Problems" in which he contrasts the condition of the Black man under slavery and his status since "emancipation." We shall be pardoned if we elaborate further on this picture.

THE Black man under slavery enjoyed many advantages of which he is now deprived. It is no defense of slavery to list these advantages for comparison. But briefly they may be indicated. The Southern slave was to all intents a member of the family. When the family was kindly disposed and when the slave was loyal he was more often than not, a beloved member. He was the recipient of many favors. If sick he had the care of the family physician; when death overtook him the ministration of the beloved pastor of the family flock.

UNLESS compelled to do so no Southern gentleman would sell a slave. The slave trader was looked upon with contempt and was unwelcome in the best Southern society. The love of the slave for his master was often as greatly reciprocated. Instances were common where the slave would name in his will the beloved master to inherit the simple belongings he had accumulated in a life time of servitude.

WE have heard much of the "overseer" made familiar to us in Harriet Beecher Stowe's "Simon Legree." It is significant that the overseer was often selected from the colored members of the household. Such was the custom in North Carolina, the most liberal of the Southern states in its treatment of the slave. It is significant, too, that the more reactionary of the Southern States, fearing the lax discipline that might be imposed by overseers who had grown up with their Negro neighbors provided that overseers should be secured from adjoining states.

THERE seems every reason to believe that where no racial conflict was involved the Black man was accorded even-handed justice. Before the minor law courts he stood in a rather better position than the poor white. The spirit of noblesse oblige would influence the court's decision.

SO much for the ante-bellum days. Today the worker, Black or White, has no such advantage. He never sees the family physician of the boss of the factory that employs him, or that of the plantation owner for whom he works. If he offends or is derelict he faces discharge with no bed to return to and no chance of a square meal, of which under the slave regime he was assured. Or if a depression occurs, one of those mysterious visitations which nobody in authority seems to understand, he wanders forth in search of a new job. There is no personal appeal possible now. With the best of intentions and the kindest feelings the employer finds it impossible to do anything—the problem is now so impersonal. His employees are no longer members of his household—they are just "hands" now. In what way, let us ask, does the *new slavery* compare favorably with the old?

IT was a frequent reproach made by the defenders of slavery in ante-bellum days that the condition of the free Negro in the North was distinctly inferior to that of the slave Negro in the South. In the North he was the victim of poverty and unemployment and suffered acutely in times of depression. In the South the Negro under slavery was assured against these calamities, was well cared for and free from all anxious thought for the morrow. That extraordinary character, Parson Brownlow, made much of this contrast in his debates with Northern abolitionists. And the comparison carried its sting.

HERE is a speech which might have been delivered to any audience of the unenlightened by one impatient with the slow mental processes of the average hearer; as follows: "Fellow morons:—When I look upon your vacuous faces I realize how difficult it is going to be to make you understand such a simple proposition as ours. I know how well educated you are, and therefore how much you have to unlearn. If what we have to tell you were more profound and complicated you would swallow and believe it. It would not be true to say you would understand it, for understanding is something different again. Who can understand Stuart Chase, or Professor Tugwell, or Professor Fairchild, or the lesser groups of misinterpreters?"

THERE is one group that does understand, and that group is "the rent crowd." While you seem to have great difficulty in comprehending this simple proposition of taking the rent of land for public purposes, these people of whom we speak have no difficulty at all in collecting this rent for private purposes. They go about it in a very thorough way. You hear no discussion among them as to the difficulty of ascertaining the rental value of land, or the capitalization of that rent in the selling price. They are good economists and perfect assessors.

THEY do not argue as to what causes interest. They are absolutely certain as to what causes rent. It is strange how little other questions seem to trouble them. Nor are they bothered the least bit by the ethical considerations involved. But that is something that should bother you. If it is your presence and your activities and the public service you pay for that make this rent of land, what right have these people to it? Does it not look as if what you make you have a right to?

PIRACY and highway robbery have force behind them. You do not consent to them. But the private collection of the rent of land goes on because you consent to it. You seem to think it is all right for 5 per cent of the people to privately collect what 100 per cent of the people create. Isn't that rather stupid of you?

YOU do not seem to recognize how wealth is produced. You do not seem to know that speculation in monopoly rent is a tribute paid by you out of your earnings and that there is no other reasons for depressions than land held out of use. General Hugh Johnson seems to have a pretty keen sense of it. In his syndicated column under date of July 5, he tells the story of the opening up of Oklahoma to settlers and the conquering of the then existing depression by those who found free land.

General Johnson seems to see clearly that all that labor needs is access to land and he uses the Oklahoma incident as an illustration. This was the last of the public lands remaining unclaimed. There is no more free land. But this does not daunt the General. "There may be no more new frontiers," he says, "but there is plenty of undeveloped country within the old frontiers—country as rich as any yet developed." If the General follows this line of reasoning a little further he will have the whole story.

MAYBE you can see what the General sees. But you will find many sophistical and ingenious arguments against our proposal. The most subtle appeal will be made to your home-loving instincts, to that natural desire of every individual to live under his own vine and fig tree. It will not occur to you at once that this is just

the condition that we are striving to bring about, a condition where every man will own his own home. It is quite clear that the present system does not encourage this condition. The number of those who own their homes free and clear is very small and there is every reason to believe is constantly diminishing.

EFFORTS will be made to show that your interest in a possible few hundred dollars increase in the value of your little piece of land makes your case and that of the Weyerhausers, the Hearsts, and the Astors identical—and you may be fooled by it. But you cannot ultimately profit by the system. Very few land speculators gain. And in the meantime the system that closes the avenues of employment, that filches from you your earnings, goes on to ever recurring depressions that are the despair of the half educated, the political planners, and the curiously confused economists in our colleges and universities.

WE have read with considerable interest Mr. L. O. Bishop's comments in the *Fairhope Courier* on Henry Ware Allen's letter in LAND AND FREEDOM on government ownership of public utilities. We think if Mr. Bishop had read Mr. Allen's letter more carefully he would have noted that Mr. Allen does not repudiate the principle but does express doubts as to the practice under present conditions. We offer the following illustration. In a city not a thousand miles from here certain owners of public utilities sensed far in advance the coming of motor car and bridges and terminal competition. So a campaign for public ownership was worked up by a certain set of newspapers, the property bought by the City, and amid the sounding of brass bands the people celebrated the event. It was subsequently discovered that some millions had to be spent to put the property in condition, to say nothing of the original high cost to the citizens. The property has since been run at a ruinous loss to the city and each year shows more and more traffic diverted from it. But it furnishes many jobs for the political machine.

Civilizing the Heathen

"AS I understand it," said the heathen, "you propose to civilize me." "Exactly so." "You mean to get me out of habits of idleness and teach me to work." "That is the idea." "And then lead me to simplify my methods and invent things to make my work lighter." "Yes." "And next I will become ambitious to get rich, so that I won't have to work at all." "Naturally." "Well, what's the use of taking such a roundabout way of getting just where I started? "I don't have to work now."—*Washington Star*.

Green Risings in the Philippines

BY WILL LISSNER

PLANS for a "new attack" on the ancient problem of tenancy in the Philippines were described by President Manuel Quezon of the Philippine Commonwealth on his recent extended visit to the United States. As an earnest of his intentions, President Quezon announced the engagement, as an adviser on the land problem, of Dr. Frederic C. Howe, special adviser to the United States Secretary of Agriculture and former Consumer's Counsel of the Agricultural Adjustment Administration.

Dr. Howe is a follower of Henry George, and as a member of the "socialist"—as distinguished from the "individualist"—wing of the Georgeist movement has been one of the foremost exponents of the American social philosopher's doctrines. Throughout his career, and particularly as Commissioner of Immigration and as Consumers' Counsel, he has given evidence of his integrity, sacrificing position and power rather than sacrifice principle. Of the soundness and the thoroughness of the advice which he will give to the infant Commonwealth there can be no doubt. What prospect is there that this advice will be accepted?

The problem of tenancy is, of course, merely the most spectacular aspect of the land question in the Philippines. But it is a situation which is fast coming to a head, according to the objective Associated Press correspondent in Manila. Land riots are becoming more numerous, and several killings have occurred in them. Despite the spotty character of the disorders, they have been serious, and the wonder is only that violence has not been more general. For this, as always, the soldiery is entitled to the credit, although the part it plays can hardly be called creditable. In many cases tenants have been restrained by soldiers when they attempted to mob land owners or lessors who have been particularly flagrant in "squeezing" them out of their share of the crops. Tenants have been ousted from their lands as the sugar market dwindled; the constabulary, in repeated clashes, noted for the brutality displayed, has seen to it that they did not get back.

The demands of the tenants, in virtually all cases, is meagre to the point of futility. There is general awareness that the background of the whole trouble is the lack of social justice. But they protest most over the devices that have been erected to obscure the fundamental injustice of the landlord-tenant relation. On most large plantations, they point out, land owners put up post exchanges or canteens where tenants say they are required to buy necessary articles on credit at high prices. They complain most loudly also that they are held down by loans of money or goods at usurious rates of interest.

It is grievances like these on which their spokesmen focus attention. The pity of it is that these grievances can readily be remedied—without fundamental improvement in the position of the tenants,

But Filipino leaders do not delude themselves that superficial remedial measures can halt the progress of the social revolution which is imminent in the islands. President Quezon said last year, truthfully, that the widespread unrest in the islands is against the whole social order. Spearhead of the unrest is the seven-year-old Sakdalista movement, whose leader, Benigno Ramos, is self-exiled in Japan. Much is made, and probably not without justice, of his present position. He enjoys the protection—and some say the financial support—of the majority political party in Japan, a nation whose concern for the plight of the peasants has not been noteworthy at home, where the growth of the land monopoly illustrates again the telescoping of social development, and whose interest in imperial expansion has aroused the appetite of its privileged classes for the soon-to-be independent Philippines. On its part, in the usual fashion of States on trial, the Philippine Commonwealth has attempted to bring him back to be tried on charges that he took part in various revolts, bombings and fires, a list of which is a tribute to his extraordinary industry or the prosecutor's flair for imaginative detail.

The nationalistic programme of the Sakdalista party offers much to the indoctrinated prejudices of the underprivileged Filipinos, little to the intellect of the few who understand the fundamental necessities of sound social policy. It advocates such a hodge-podge as immediate independence, smaller payments to landowners by tenants, abolition of the poll tax imposed on every man from 18 to 60 years old, downward revision of land taxes, reduction of State salaries and the teaching of native dialects in the schools. The left wing of the extremists is occupied by the Communist party, another growing group. It was said to have had an attendance of 1,000 wildly-enthusiastic peasant delegates at its Manila convention in 1936.

What is the nature of the social disease of which this bitter unrest and desperate extremism is symptomatic? The story is an old one. Philippine land trouble dates back before the American occupation in 1898, and was one of the island's heritages from western civilization. When Governor General Taft came to the islands he found some 60,000 peasants on the verge of revolt against the friars, who had control of more than 400,000 acres of the most desirable farm land. Similar, if lesser, concentrations of ownership were held by the classes which ruled with the aid of the church.

The problem was one of the first tackled by the United States authorities, in characteristically inept manner. The government bought the land for re-sale to the tenants. The lands were sold on what was said to be an easy payment plan. How successful the programme was is shown by the fact that the problem once again has been dumped into the lap of the government.

Part of the lands have never been sold. Some of the lands have been re-acquired by the government, the

former tenants to whom they were sold either cancelling the sales contracts or forfeiting their holdings because of non-payment of installments and interest. Apparently the price the friars received has left them better off than if they still held title to the lands.

Faced in infancy with the problem of regulating the administration and disposition of the former church holdings, the Commonwealth government is about to repeat the mistake of the older republic to the east. The lands undisposed of as of Sept. 15, 1937, are to be subdivided and sold under the terms of a new law. The price of the subdivisions is to be the same as the original price fixed when the government first offered the lands to the tenants by act of the old legislature. It may be paid in ten equal installments at an interest rate of 4 per cent. Since this method of disposition has already proved a failure in practice, the most that can be said for it is that it is likely to spare the Philippines of the more serious curse, the creation by land settlement of a class of peasant-owners who would serve as a bulwark for the prevailing system of monopoly capitalism.

Other aspects of the land question further menace the progress of the Philippine economy. Attention has been directed to the heavy taxes imposed in the Philippines by the many new tax laws which have been enacted, designed to give the government another 10,000,000 pesos a year. In addition, independence, which was helped through the United States Congress by the desire of American sugar producers to be rid of Philippine competition, has raised equally serious problems. Under the terms of the Tydings-McDuffie Act, duties must be paid on all Philippine exports to the United States after certain quotas are filled. After 1949, export taxes are to be collected on all duty-free shipments, the amount of the tax increasing each year until the date of independence.

It must be remembered that one of the reasons for American "prosperity" is the relative freedom of trade existing in great part between all sections of the vast American empire. The Philippines have benefited by commercial relations with the rest of the United States—a benefit that was mutual—and consequently its economy has developed, especially in recent years when insurmountable barriers to foreign trade have been erected by United States administrations, to a condition of integration with the North American economy.

Manila business men calculate that under Congress's plan the islands are doomed to lose their American markets for sugar, cigars, coconut oil and cordage. However, the islands hope to mitigate this loss by threat of reprisal. Vast deposits of gold and chromium have been discovered in the Philippines in the last few years. By levying export taxes on these commodities, the islands could restrict their flow to the United States, which has need of the chromium, at least, and some day may have greater need for the gold. Trade concessions, at best a paltry crumb,

will be asked in return for an agreement not to do this. An American commission of experts will report in the Fall on how large a crumb can be dropped from the table without threatening the paunches of the pampered parasitic home industries.

All in all, this brief review of the economic situation of the islands discloses vast social forces acting as drives for radical reform. But the socio-political situation discloses also that the land-hungry landless of the islands are still burdened with the ignorance which fetters the landless almost everywhere. It would be utopian to expect that fundamental social reconstruction, the dire necessity of the situation, will come in the form of concessions obtained by intelligently-directed mass pressure from the privileged classes.

If social reform is to be undertaken, it must come, apparently, in the form of concessions wrung from the privileged classes by the more far-sighted members of those classes, as the result of pressure from the blind social forces that poverty, unrest, extremism and general depression represent. But of this the promise is dubious. President Quezon, who might be expected to lead such an effort, is both in hope and despair of reform from this quarter.

In the face of the unrest, President Quezon has assumed the role of a virtual dictator. In his presentation of his defense plans for the islands before the Foreign Policy Association in April, Mr. Quezon delivered himself of some contemptuous remarks on the ideal of liberty that is traditional in the United States. Holding it in error, he saw liberty as the duty of the citizen to the State, not as constituting freedom of the individual. Having won a constitution which gives the Chief Executive authority to set aside disciplinary courts and bills of rights in "emergencies," he frankly avowed his determination to use the power.

Mr. Quezon now has the backing of a strong army, thanks to the aid of an act of Congress which permitted United States Army officers to be sent to the islands to create it. These officers were headed by Major General Douglas MacArthur, former chief of staff, who gave ample evidence of his courage and stamina when, under a gas barrage that became a stench in the nostrils of the nation, he drove the impoverished veterans of the peaceable Bonus Army from Washington under the Hoover regime.

The Philippine president, however, wishes to be pictured as a benevolent dictator, and talks of beating "the radicals at their own game." In asking for full freedom for the islands quickly on his visit in Washington in March, he disclosed he was planning for them "a programme of wide scope for industrial and agricultural socialization." The government, he said, intends to develop water power, to operate bus lines, to build and operate rail systems, to buy and exploit mines—including coal, chromite,

and other minerals, though excepting gold, at least at present—and to establish a steamship company.

But the socialization, apparently, is not to be the socialization of privilege, which would get at the root of the islands' troubles. It is to be the socialization of the losses of the privileged. This was indicated when he described how the agricultural socialization was going to work. This, he said, was illustrated by the Commonwealth's experiments in rice control. The newly-created National Rice Corporation is stabilizing prices for "poverty-stricken farmers" by buying heavily during the harvest and holding its stocks for disposal as market conditions dictate.

Similar "radical" experiments in "socialization" have been carried on in the United States under the regimes of arch-conservative presidents, elected to maintain and entrench the status quo. The real poverty-stricken farmers, the peasants, watching the product of their labor drained away as the kiting of prices boosts the rent they must pay and the living costs they must meet, will have the meagre consolation of knowing that prices "stabilized" in a market with surpluses overhanging it will dislocate other markets and then will toboggan as surely in the Philippines as they have in the United States and in Europe.

Schemes for the socialization of losses under monopolistic competition have proved to be the most dangerous of all crisis policies; they augment the destruction wrought by the crisis they are intended to prevent. If Mr. Quezon accepts no better advice, the day undoubtedly will dawn when he will be thankful for the support of a strong army, a ruthless constabulary and a centralized State apparatus, and when he will point, as evidence of benevolence, to claims that the government's trains and busses now are running on time.

But it is far too early to predict this outcome for the Philippines. President Quezon, after telling of his forthcoming "new attack" on tenancy, spent a month in Denmark and Ireland. He said he had studied Mexico's land difficulties on a trip there in April, and expected that some of the methods employed in Denmark and Ireland for the fight of tenancy might be capable of being transplanted to the islands. Certainly, any competent study of land reform in Denmark, Ireland and Mexico should disclose to the thorough observer what one should do and what he should not do.

Dr. Howe said Mr. Quezon also was interested in the method in the Farm Tenancy Bill, now awaiting a doubtful fate in Congress. Secretary Wallace's special adviser has been credited with helping draft that measure. As it stands, it amounts to an effort to reduce the friction between landlord and tenant without abolishing the relation. But powerful quarters in Washington sought vainly to put teeth into the measure so that it would be a first step toward abolishing tenancy. In the compromise

that resulted enough was saved of the programme so that the measure remains one that would prepare the way for thorough land reform legislation.

President Quezon is facing a history-making situation. It is one that will leave him famous or notorious.

Significance of the Components of Rent

BY ROYAL E. S. HAYES

IN current discussions of the Single Tax an accounting of the components of rent in their relations to wages and community income appears to have been seldom mentioned. I refer, of course, to the components economic, monopoly and speculative rent as itemized by Henry George in the section entitled "The Principles of Land Value Taxation" in his "The Condition of Labor," and inferred of necessity in Book VII, Chapter II, in "Progress and Poverty." As to the latter reference it is unfortunate that George did not give specific terms to the components of rent until he had arrived at writing "The Condition of Labor" ten years or so after the advent of "Progress and Poverty." There distinctions were described and illustrated by diagrams in an article by C. LeBaron Goeller in LAND AND FREEDOM of November-December, 1927, and now furnished by him as a tract; and made a telling factual argument in the brochure "Economics of Democracy" by Dr. F. Mason Padelford of Fall River.

An accounting of these three elements of rent seems to be of first importance in three respects; first, for immediate exhibition to the student of the desecration of labor; second, for its great potency for popular understanding; and third, for envisioning the application—if ever.

As to teaching, notation of these three elements of rent facilitates the student's conception of rent in general because it directs attention to the practices which exploit rent as an addition to the natural or pure economic rent. As we know, community association, monopoly and speculation in land, all add their quota to private rent and to the economic and social conditions which result. To nominate these influences in specific terms transfixes the enormity of the private land owning practice and illuminates the normal and just avenues in the same breath. Through these terms the heart of George's philosophy is revealed. The student sees at once that monopoly and speculative values must be restored to wages, whereas true economic rent belongs to the community. He is at once prepared to see the logic of George's remedy, that is, to make land common property, and of the equitable method, the concrete assessment of land values. And if he is puzzled as to how the element of pure economic rent can be separated in practice he can be told that as vicarious taxes and impositions are cut out and the selling

value of land effaced, the return of monopoly and speculative values to our pockets through free production and exchange, or as Lenin with a flash of insight called it, "a free economy," is automatic.

As to the value of this analysis for propaganda, which for the Single Taxer seems fated always to be teaching and explaining, it touches the pocket book appeal at once. Every last jack of a man can see at once where the bulk of his wages, salary or earnings goes and how it should flow back to where it belongs. Nothing that I know of touches the socialist state of mind like this conception. It is a concrete idea that should stabilize the socialist motivation. It provides a rationale for real democracy of peoples and nations, for democracy's universal expression.

As to Single Tax practice it seems to me that George's analysis of private rent into these three elements avoids the confusion and uncertainties mentioned as value, price, estimate, et cetera, because when sale value and taxes have gone monopoly and speculation have gone and a new tide of wages has appeared.

At any rate, a presentation of the Single Tax theory with no specific account of the components of rent cripples its explanation and confuses the proposed application. It leaves a big gap in the logic of the theory and is harder for the neophyte to grasp. To the contrary, a presentation beginning with the law of wages or livelihood as George presented it inspires interest at once and induces a practical vision of the problems of labor and their solution.

It seems to me that we have chirped too much on taxation of land values (but none too much on vicarious, unnatural taxation) and too little on labor and wages. We should not expect one to see the importance of the proposition to tax land values until he realizes his individual importance in it. Who at first thought is particularly or even at all interested in land value taxes going to the government? Who is *not* interested at once in receiving the entire value of his earnings? Terms that the reader or hearer knows touches his pocket book is the best propaganda and indeed the best teaching. The law and condition of labor and wages lend themselves to propaganda and are hundred times better than studies in taxation because it is the work and wage that people are interested in.

Furthermore, it is desirable that the time may soon come when we shall have speakers who can speak to the multitudes with familiar phrases. Comfortable people getting together and discussing what seems to outsiders as a taxation problem does not mean much to the hordes unwittingly hurrying to a dismal fate. As a laconic friend said, "Things are going so fast that pretty soon there won't be anything to work on." Taxation theories and propaganda are always swept aside in the strife into which monopoly is rapidly plunging the race. Only the appeal to livelihood, to personal self interest, is the right-

ful foundation for the so-called Single Tax. Knowledge of the law of wages in relation to the components of rent is the most personal economic information that can be placarded for the multitudes.

Causerie

BY THOMAS N. ASHTON

MOMENTOUS MATTERS

PARDON us, please, while we ask if you are out of work. We are not particularly concerned over the *cause* of your unemployment.

So many people have lost their jobs. Doubtless there are millions and millions out of work—how many millions we do not know.

Senator Vandenberg thinks there are 3,000,000 on the bricks. Madame Secretary of Labor thinks there are 8,000,000 drifting around. Mr. David Lasser thinks there are 10,000,000 now pounding the pavements. Charlie McCarthy hasn't sent in his estimate because Charlie doesn't think until Mr. Bergen puts the words into his mouth. Anyway, we are positive that there *are* people out of work because we know of several instances.

All this nation-wide concern, over how many are unemployed, now occupies the attention of our most prominent civic leaders—those who think. That is, by people who are accustomed to think about the effect rather than the cause. We no longer bother about "technological" unemployment because statisticians have estimated that there always are a couple of millions unemployed at all times including periods of Republican prosperity. You and we do not bother about a couple of millions, but when the numbers involve tens of millions—well, that's sumpin else again.

Under this aggravated condition of unemployment somebody naturally starts to think. Thinking is excellent exercise for manicuring the ridges on one's brain, but if one scratches below the surface it becomes awfully tiresome.

It is much more alluring to think and wonder how far the condition reaches than to think and learn what caused the condition. Of course, we use this sort of mental exercise only in the field of economics; elsewhere we seek out causes. For instance, if one falls into the duck-pond one does not say, "I think I am all wet. I wonder how wet I am?" On the contrary, one says, "Who pushed me? What did I fall over?" In everything but economics we seek causes and let effects wait on the correction of the cause.

In this same subject we are treated to a parallel problem of *how much* taxes are levied upon the people of this nation who cannot dodge their tax bills. Catching the present fever and fancy to think about economic effects, the Twentieth Century Fund—"a non-political institu-

tion proclaiming no pet economic theory"—has labored heroically, doggedly and expensively to find out how much the non-dodging taxpayers of this nation pay annually in taxes. Merely \$12,500,000,000. One dollar out of every four you earn goes for taxes. Just 25 per cent of your daily stipend, unless you can shift the taxes to your fellowman.

This allegedly annual tax of 12 and $\frac{1}{2}$ billions is about twice the sum needed to run all local, State and Federal governments as computed on \$1,000 per capita for land values assessed at 5 per cent. On the basis of 125 millions of people our lands have a value of 125 billions of dollars which, at 5 per cent would yield 6 and $\frac{1}{4}$ billions of dollars annually—a sum equal to one-half of the 12 and $\frac{1}{2}$ billions which the Twentieth Century institute says we now pay in taxes of all kinds upon labor and products of all sorts.

Our ostensible statesmen wish now to secure an accurate census of the unemployed people of this nation. *How* to do it is the moot question. But let's assume that it is done eventually—let's assume that we finally know how many people are unemployed and how much taxes the non-dodgers pay.

What of it?

We still shall need to find the cause of idle hands midst idle lands; we still shall need to study the principles of sound taxation—non-duckable, inescapable, indiscriminate taxation for service rendered to each and every parcel of land within the national confines.

These are the truly momentous matters. Why not tax idle lands into idle hands?

SIMIAN WISDOM

"Modern man and his theoretical ancestor, the ape, may be carrying on conversations in a few years" if the present scientific efforts toward phonographic recording of monkey mutterings are successful.

Our brain vibrates with new hope as a surge of emotional anticipation electrifies our comprehension.

Here is an unexplored field of possible opportunity whereby man may come to know just how the precocious apes operate their monkey business without a complicated tax system. Our scientists have begun a recording of the ape language in the mountain forests of northern Siam. Marvelous results already have been attained. By re-broadcasting the individual sounds of apish articulations it has been learned that each simian sound has its own meaning of specific import. Each monkey moan has a meaning all its own. No longer shall we need to arouse apish appreciation by scratching ourselves under the arm-pit. The old, gesticulatory mode of communication soon will yield to dignified grunts, subdued squawks and guttural graciousness, as our scientist-interpreter talks with the master monk about the simian solutions for tax-dodging, natural resource monopolies, cocoa-nut sales taxes and palm-tree excises.

At last there is hope for man's adoption of the land value taxation method.

Each phonographic "call" brings a certain and invariable response from the jungle society. All that we need to learn are the equivalent words in baboonry for life, liberty, happiness—land, labor, capital—rent, wages, interest—intangibles, excess profits—protective tariff, social security—WPA, PWA, NRA, CIO—and ability-to-pay. Thereupon it will be a most simple matter for Mister Monkey, Chairman of the Board of Ape Assessors, soon to straighten out our civilized system of taxation by explaining how the Chimpanzee City Council legislates for public revenue without bringing depressions upon the gorilla captains of industry and gibbon giants of finance.

Equally important—and of immediate concern—is our aim forthwith to learn just how the simians cope with fellow apes who incorporate their pleasures, by legal process, under the head of business in order to escape the higher-bracket tax.

A great deal of information is expected from the gibbon ape, because "little is known of the gibbon's natural life." Anything which leads a natural life certainly can enlighten us civilians of this day and age.

The gibbon has much, except in taxation, in common with man. "Like man, this animal is sociable and monogamous. It uses its hands only as balancers." We have used our hands, rather than our brains, in attempting to balance budgets, consequently if we can get together with the simians, in friendly council, we may devise mental methods for budget control by learning from the monkey master minds the fundamental truth in sound taxation which, in turn, will make obvious the needless bureaucracies and the expensive, paternalistic emotionalism toward unemployment and poverty.

As we lapse into a muse, 'midst the aroma from a four-cent butt, our half-century's battle with the economic duress of society looms less gloomy and even less hopeless. 'Tis now much easier for us optimistically to envision an alluring doorway opening into the eventide of life—a doorway silhouetted in the colorful, subdued rays of a setting sun—a doorway to the peace, quiet and contentment which fast friends and fragrant flowers alone can complete. The tenseness of our grimly-set jaw is eased—the wrinkles fade with the frown from our brow—the life-long dread of poverty in old-age becomes less and less obsessive. We begin to feel a strange glow of friendliness toward those for whom we long have reserved our animosity. Life once more appears dressed in the rosy hues and raiment which once had filled our boyish dreams and waking hours.

Ah!—the renewed vision—which this scientific monkey business has brought to us! Our hopes run high for whoever heard of any monkeys so foolish as to allow one monkey to grab all the cocoanuts while the rest starved, and possibly we will learn that simian wisdom decrees

that all monkeys have equal access to the lands in which cocoanuts grow. Anyway this seems to be a fact.

KEEP YOUR SEAT

My dear Mr. McEvoy: Your article in *Saturday Evening Post* about the unemployed Bachelor of Arts is very interesting.

You do not need to shove over to make room for me on your Bench for the Unemployed and For Baffled Brains in Bryant Park. No, I'm not conceitedly intimating that I know the answer to your depression dilemma, nor do I say that I do *not* know the answer, but I do know of a man who *does* know the correct solution. He wrote it all down nigh fifty years ago—which fact may at once cause you to lose interest right at this next punctuation period.

You seem to be an exception in many respects, Mr. McEvoy, as a writer for the *Saturday Evening Post*—except in concluding that “no one else seems to know the solution either”—and except in looking in all the wrong places for the right answer—otherwise I would not waste my time writing to you.

At this point you may have concluded that I am some wild-eyed Mexican bean known in the profound wisdom of The Law as *non compos mentis*. The Law knows plenty which doesn't matter and, as I stop and look and listen and read the ostensible wisdom of so-called Culturists, I have no intention to sneeze at the opportunities which lie in the field of dementia *præcox*. I, too, have sat in Bryant Park during my sit-down revolt against this cock-eyed world whilst I sought a job between Bowling Green and Columbus Circle.

Perhaps you stopped reading this page at the end of the second sentence, in which event I feel free to write straight from the heart without fear or favor. I have nothing to sell—neither to you nor to the *Post*. You do not have anything that I want—nor has the *Post*.

If you do not believe me, when I have finished, it will be OK with me and I'll still enjoy your style of writing.

The college boy, whose graduation-last-June started himself and you and the *Satevepost* on a writing spree, has been taught many ideas except the vital ones which he should know. Such oversight is a common condition—a fact which is painfully obvious in the remarks of every educational leader whom you quote. You conclude your article, after exposing the frankly-acknowledged, baffled brains of erudition experts, by asking the unemployed college boy to “move over, please” on the Bryant Park bench and make room for you and your list of national big-shots—presenting a row of apparently intelligent, and very obviously educated, men who are nonplussed over the simple problem of providing jobs for graduate BA's, CE's, LL.B's, MA's and all the rest of the alphabetical hokum which takes precedence over teaching a student *how* to think instead of *what* to think.

When we witness your college boy's plight (multiplied a few million times) in this most naturally wealthy nation, we cannot escape the glaring fact that our industrial captains, statecraft coxswains, and educational leaders are not so hot, and to run to them for advice on this depression's solution just simply can't get us to first base. When you and I and our captains of industry and our college deans finally reach desperation in trying to find the solution to this depression, then—and not until then—will we begin to give first place to *what* is said rather than to *who* said it. Until that moment of desperation comes only a few “oddities” like myself will become impressed, not by dignitaries, but by words. The words may be sensible or silly—they may set forth proof positive or merely vague, professorial pronouncements that “something must be done” to relieve unemployment and save investments.

It is no sufficient alibi for the leaders of law, medicine, machinery, journalism and civil government to shrug their shoulders and ascribe this depression to “an act of God,” as the lawyers says when he can find no human to be the culprit and take the rap.

It is silly for anyone to say that this or any other depression came automatically. It is nonsense for anyone to assert that unemployment is inescapable and inevitable except for the lazy and infirm.

Your unemployed B.A. on the Bryant Park bench is not lazy.

For us to tell him that “no one knows the solution” to his predicament is conclusive proof of our incompetency.

When the Pilgrims waded ashore there were no taxicabs running from Plymouth Rock to the near west. There were no bankers waiting to loan them money—no subways—no operas. Yet these early birds—with no more land than this nation now has—found jobs and laid the foundation for the mighty nation which we are fast wrecking. Having pulled down the economic structure upon our heads we now sit, figuratively or literally, on a bench in Bryant Park and wonder why our B.A. parchments are not as valuable as wallpaper.

Your contemporary, Mr. Garrett Garet, made a statement similar to yours a while ago in the *Post*. He said “no one knows the solution” to our depression, or words to that effect. I have reason to believe that Mr. Garet has changed his mind since reading a book which I shall suggest to you.

The Creator has not made this world—peopled it—and left us without a solution to our problem or folly. We need but look in the right place for it and be guided by the argument most convincing rather than by big-shot reputations. If the *modus operandi* as taught by our ostensibly expert economists is correct then we would never have a depression.

By their fruits ye shall know them.

Before you conclude that there is no solution to starva-

tion in the midst of plenty and "overproduction"—before you decide that idle men and idle land is a paradox which defies human reason—before you admit that the Pilgrims accomplished, with untold less facilities, what we cannot do (i. e., keep every last soul employed except he be lazy or infirm), read "Progress and Poverty" by Henry George.

Do not be prejudiced because he was not a dean or a professor. Never mind who he was. Read what he says. Read it with an open mind. It's all in simple English. You may rest assured that he leads away from, not into, Socialism, Communism, Collectivism, Dictatorism, Paternalism, Republicanism, Democratism, and every other emotionalism which deals in sophistries, aphorisms and platitudes.

You can obtain the book at any public library or you can buy it for the low price of one devalued dollar.

Go to it, and may the good Lord lubricate your mental mechanism.

HOW LOW IS HIGH?

The tax of which the Republican party is most proud is that which so long has been heralded throughout this nation as a "protective tariff." This tax, which is added to the foreign salesprice and paid by the American consumer of foreign goods—and which is accompanied by an equal increase in cost of domestic goods—is supposed to protect the self-same American consumer. That is, if you will permit us to tax you we will protect you insofar as you pay such taxes. This is the identical principle which motivates the racketeers' "unions." The racketeers, however, actually "protect" you from their molestations as long as you pay and pay. The tariff, on the other hand, does not give to you immediate and individual protection—you are left to find that haven of refuge in your work-a-day dealings with your fellowman. In other words, the tariff collects payment for something which is merely promised, whilst the racketeer actually delivers the "hands off" security.

In advocating a "high protective tariff" (i. e., a high tax) the Republican party frankly acknowledges that the tariff should not be too high. Just high enough for protection—"to protect domestic markets, workers and industries from cheap labor abroad and to provide revenue." With withering contempt they point out that the Democratic tariff seeks only to "provide revenue"; no protection—not an ounce—not even a hypodermic. To show, however, that they are not unmindful of the persuasive Democratic arguments that high tariffs kill foreign trade, our Republican kinsmen take great pains in showing that the Hawley-Smoot tariff act is much lower than some previous tariffs. It averages only 16 per cent as against 23 per cent under the McKinley law—20.9 per cent under the Wilson law—25.8 per cent under the Dingley law and 19.3 per cent under the Payne-Aldrich law.

We pause to wonder how the high protective tariff of the Hawley-Smoot Act (15 per cent), which is lower than the low tariff of the Wilson law (20.9 per cent), delivered high-class protection under a high tariff which is lower than a low tariff.

We have a selfish satisfaction, nevertheless, in listening to high protection at 16 per cent as against no protection at 20.9 per cent, because, you see, we save nearly 5 per cent and get the promise of protection in the bargain. Consequently, if we never find that protection, which we assume is lying around loose somewhere in this land of the free and home of the brave, we are still 5 per cent ahead with our jack in this pastime of high-low-jack-and-the-game. If we should stumble onto this promised protection—well that's so much velvet.

'Sneer as we kin make out—from what the Republican National Committee sez—the Republican tariffs (taxes to you) are always high enough to be high and never low enough to be low.

If you noticed that the Dingley Tariff was 25.8 per cent as against the Hawley-Smoot 16 per cent, you may wonder how high is high. On the other hand, when you read that the Democrats had a high low-tariff of 20.9 per cent as against the Republican low high-tariff of 16 per cent, it 'pears that its time we had a Supreme Court decision on where low ends and high begins.

With all due respect for our Congressional statesmen and their profound thought which confuses our understanding of high and low, all this stuff gives us an hysterical yearning for the common honesty and perceptions of Mr. Dooley, who, speaking of the tariff said, "They say the Foreigner pays the tax. He does after he passes Castle Garden."

SO far from the recognition of private property in land being necessary to the proper use of land, the contrary is the case. Treating land as private property stands in the way of its proper use. Were land treated as public property it would be used and improved as soon as there was need for its use or improvement, but being treated as private property, the individual owner is permitted to prevent others from using or improving what he cannot or will not use or improve himself.

PROGRESS AND POVERTY.

THE earth is an entailed estate—entailed upon all the generations of the children of men, by a deed written in the constitution of Nature, a deed that no human proceedings can bar, and no prescription determines.

THE LAND QUESTION.

FOR it is true, as was declared by the first National Assembly of France, that "ignorance, neglect, or contempt of human rights are the sole causes of public misfortunes and corruptions of government."

HENRY GEORGE, "Protection or Free Trade."

The Right to Strike

BY HENRY WARE ALLEN

STRIKES of union labor men have become so frequent and so serious in recent months that public attention has been directed to this problem as never before. The Seamen's strike on the West coast which lasted for more than one hundred days was calculated to have cost \$7,000,000 daily to say nothing of the inconvenience and suffering which it caused, while the numerous strikes in the automobile and other industries which quickly followed ran the calculated public loss into the hundreds of millions of dollars. Incidentally, it may be observed that had anything approaching such a loss been inflicted by a foreign foe, immediate reprisal by force of arms would have been demanded; but we complacently accept this loss inflicted by our own people as unavoidable and as of little consequence excepting to the two parties immediately involved.

Everyone desires a general increase in wages and salaries and this sentiment combined with natural sympathy for what is supposed to be the under-dog in any contest has, as a rule provided public sympathy for the striker. But so many of the recent strikes have been unreasonable in their demands and accompanied by so much lawlessness, the average citizen has been inclined to say that there "ought to be a law" to prevent them.

But it will be remembered that upon one occasion Lincoln upheld "the divine right to strike" and he would, indeed, be an ultra-conservative American who would deny to any man the right to quit work if he chose to do so as a protest against wages or conditions of work which he considered unsatisfactory. But, on the other hand, public indignation runs high when strikers resort to lawlessness and particularly when the service of public utilities, and the delivery of milk and other essential foods is prevented. The same sentiment is even more compelling with respect to service in the army and navy, the police and fire departments of our cities.

In this connection the strike of the Boston Police Department of 1919 will be recalled and the words of Governor Calvin Coolidge, in a letter written to Samuel Gompers, President of the American Federation of Labor, in September of that year, "There is no right to strike against the public safety by anybody, anywhere, any time," may have been responsible for Gov. Coolidge's nomination and election to the presidency in 1924. The strike of the entire police force of a great city was indeed an invitation to anarchy and it is possible that the Boston strike more than anything else led to the action of Governor Henry J. Allen of Kansas in securing the enactment of the Kansas Court of Industrial Relations law the following year. It was held by Governor Allen that the financial loss and inconvenience to the public involved in industrial strikes was intolerable and that the proper

remedy was an industrial court to which both parties must submit their differences and whose quick decisions must then be complied with. The motive for this law was concern for the public interests. It was rightly held that the public must be protected against the destructive losses involved in labor strikes. But the Industrial Court law aroused violent antagonism of labor unions and as a result of prolonged opposition the law was nullified by a Supreme Court action in 1925, certain parts of it being held invalid. But the object of the law was good and it may at some future time be re-enacted with elimination of the invalidated parts.

Any successful strikes must have the support of public opinion, and up to now labor leaders have been careful to respect that influence. But with the introduction of the "sit-down" strike, imported from Europe, made use of so extensively by John L. Lewis and the immense membership of his newly organized union, the C. I. O., together with the influence of left-wing labor leaders, said to be communists, the reserve policy of previous times has been largely set aside and, combined with a vindictive attitude toward capital, recent strikes have been carried on with the boldness of military maneuvers and with little respect for public or private property rights. Militaristic force has definitely taken the place of sentiment. Pickets are used not only to keep strike-breakers from occupying company property but to prevent the entry of the proprietors themselves or anyone else unless provided with passes issued by the labor union officials. Damage to company property has in some cases been serious, officers of the law have been resisted with violence, and measures which are essentially military have been employed in order to secure results which are supposed to justify the means employed. The sit-down strike is so essentially lawless it will without doubt be definitely outlawed by Congress and other legislative bodies.

The fact cannot be overlooked that New Deal legislation has apparently been framed to favor the labor unions and by the same token to penalize employers. This was particularly noticeable in the mechanism of the N. R. A. legislation which applied governmental restrictions as to prices, hours of labor, wages, and other conditions of employment. Fortunately the N. R. A. law was condemned as unconstitutional by a unanimous vote of the court. But the Wagner Labor law is still in effect and certain of its provisions give an unfair advantage to organized labor.

The recent mushroom growth in labor union membership has been largely due to favors received from the New Deal administration at Washington. The Federation of Labor membership increased from 2,532,261 in 1932 to 3,675,376 in 1936, while the John L. Lewis C. I. O. organization is increasing daily at a rapid rate. It is understood that Mr. Lewis's organization donated over

half a million dollars to the 1936 New Deal campaign fund, and the favors given to Union Labor in New Deal legislation together with influence exerted by the President would indicate that labor support during the presidential campaign of 1936 was fully appreciated. Contracts for warships involving millions of dollars were made contingent upon the adoption by the steel companies of the forty-hour week and other favors to Union Labor, in that way giving to Union Labor by subterfuge, the advantage of certain provisions of the outlawed N. R. A. law.

Of the deepest significance in connection with this whole matter is the following statement of Mr. David Lawrence: "It was Roosevelt who dictated that part of the General Motors settlement which gave Mr. Lewis his advantage in the letter sent separately to Governor Murphy by the General Motors Corporation agreeing for six months not to bargain with other groups without submitting the facts to the Michigan governor, a stipulation which is being variously interpreted, but which the Lewis followers say was a tactical advantage. Mr. Lewis and President Roosevelt are working together in the labor situation. The C. I. O. is in such favor at the White House that the use of a circular entitled "A Message from the President" to imply to prospective members of the C. I. O. unions in New Jersey that somehow the government wanted them to unionize was not in the slightest way reprimanded."

The logical effect of official favor to union labor has been registered in the increased boldness of strike leaders. Court injunctions have been ignored with contempt while officers of the law have been treated as enemies.

Labor strikes are based upon two mistaken assumptions: (1) that it is legitimate to compel the payment of wages higher than those naturally fixed by supply and demand, and (2) that where the employers' profits are known to be large, wage-earners are entitled to a share of those profits in addition to the normal wages. When it is realized that only about 10 per cent of all labor is unionized then it will be seen that the enforced raise in wages to union labor is unfair both to the community and to the other unorganized nine-tenths, including business and professional men, and all others who work for pay in any way. If, for illustration, there are in a given community a thousand carpenters whose normal wages are \$5.00 a day and labor unions force the rate to \$8.00 a day this involves the equivalent of a tax upon the community amounting to \$3,000 a day. These views, particularly the second one, are shared by many outside the unions and all too frequently by economists. The theory that wage-earners are entitled to a share of the employer's net profits is essentially the theory of state socialism, and leads directly to taking from another the excess of property which it is thought he is not entitled to. This dishonesty leads ultimately to revolution and

anarchy. Yet this is the very philosophy which is behind the various share-the-wealth movements, often entertained by men high in official stations.

Wages are properly fixed by supply and demand and by no other factor. In a mining camp the company that may be losing a thousand dollars monthly pays exactly the same wages as another whose net profits are a thousand dollars daily. The same rule applies in the oil fields regardless of immense losses on one side and huge profits on the other. And this rule applies everywhere else.

It is, perhaps, not generally known how completely labor unions are militaristic in character. The primary object of labor unions is to secure advantages for their members not enjoyed by others and which cannot be secured except by force. As a rule the force so used is the milder form known as coercion. But it is force, nevertheless, which overrides ethics and law, and that great unwritten law of the Republic, "Equal rights for all, and special privileges to none." The mere fact of organization conveys a certain threat to the employer; and when a demand for better pay is made by the union, it may be granted, without the violence of a strike, as the lesser of two evils, even though previous wages paid were above the natural rate and more than would be paid to others.

A consideration not sufficiently taken into account is the major interest of the public in every labor contest with Capital. Too often the general public has been considered to be a disinterested onlooker. The public has been well defined by Governor Allen in the title of his book "The Party of the Third Part," and suffers more or less intensely, directly or indirectly, from every strike. It is just as clearly the duty of the government to prevent these losses as to prevent, so far as possible, losses by fire, flood, or military invasion. When wages in any industry are forced by coercive means above the natural level, the additional cost is added to the price of the product and the general public is made to pay accordingly. As strikers are also consumers, they have to pay their share of the increased cost of living resulting from strikes. In the normal course of events wages tend to increase and the price of all commodities to decrease. But if it were possible to arbitrarily increase the earnings of everyone by, say, 20 per cent, the absurdity of this would soon become apparent in the corresponding increase in the cost of living. Experience teaches that the natural order is invariably right and that coercive measures are correspondingly wrong. It will be remembered that recently the steel mills granted certain concessions to union labor and that these were immediately followed by announcement of increased prices for steel products.

The Government at Washington, cannot, of course, with propriety take sides in labor disputes. That government is best which governs least, with its functions limited to the preservation of law and order. The government

cannot subsidize one industry at the expense of all others without violating the trust put upon it by the people. It cannot assume the role of philanthropist with taxpayer's money without public robbery for the expense involved.

When legislation affecting the interests of capital and labor, employer and employee is proposed, the issue is all too frequently influenced by the huge lobbies of union labor blocs, agricultural blocs, and protected interests blocs, both offensively and defensively. The public, The Party of the Third Part, is not represented by any influence other than the conscience of an intelligent legislator. The influence brought to bear upon the legislator is so eloquent on one side and so silent on the other side it is perhaps natural that the general public should be the loser in nearly every contest. *The average legislator finding the influence all on one side votes for the proposition without realizing that he is responsible for this robbery of all the people for the benefit of a limited class. In those cases where the farmer vote, the soldier vote, and the union labor vote are brought into play, the average legislator will not hesitate to follow the line of least resistance by betrayal of the public interest and particularly so if this will ensure his own return to Congress. It is in line with this procedure that labor unions have built up for themselves enormous strength at Washington.*

So it happens that the labor blocs at Washington are most powerful and deference to the labor leaders is to be found not only in the halls of Congress, but at the White House where they are frequent and favored callers. The result is that when great labor strikes are called, Washington is silent except to criticize the predatory rich, the employers, and when this influence reaches to local districts, as was the case in the Flint, Michigan and Detroit strikes, the law is found to be impotent in ousting sit-down strikers from company property while public officials obsequiously offer federal aid to the families of the strikers.

This situation presents a new danger to the American people. It may develop that where elections have been carried by surrender to union labor, the price paid will be found to have been costly. It is but a short step from the military force employed by union labor to the anarchy which accompanies total disrespect of law and the open destruction of property rights which this leads to. The assertion that human rights are superior to property rights is based on sophistry. These rights are one and indivisible. Every property right involves a human right. It is just as wrong to steal from a rich man as it is to steal from a poor man. The rights of the rich and of the poor are so inseparable that one class cannot be hurt without hurting the other. There is no room in this country for class hatred or class differences. He is a public enemy who fosters either. The one rule which should apply in every legal enactment is the Golden Rule.

While union labor strikes must, as a rule, be condemned as illegitimate, consideration to the rights of working men is of the greatest importance and demands immediate action. Working men and women are justly entitled to far better wages and salaries than they are now receiving. But the right way instead of the wrong way should be employed in order to secure these better returns. The great army of the unemployed, a national disgrace, is responsible for the low wages paid. For all wages and salaries are based upon what is paid to common labor and when there is an army of unemployed, common labor receives only starvation wages. The existing unfortunate and unnatural condition is obviously due to the penalizing effect of a multitude of taxes which now fall upon labor and the products of labor. Abolish these unjust taxes and prosperity will be liberated with consequent increases of wages and salaries. The philanthropic efforts of the government to sustain the army of the unemployed by doles and semi-doles at the tax payer's expense will not then be necessary. But meanwhile the self-reliance and the independence of the people are giving way to the idea that the government owes everyone a living and is responsible for higher wages.

There is nothing necessarily discouraging in the future of the American working man. It is full of promise, of prosperity, provided bad laws are repealed. Based upon the potential power to create wealth by use of modern processes and inventions every man is entitled to be a king, not by taking accumulated wealth from others, but by getting the full measure of what every man produces after the penalizing and crushing effects of an evil system of taxation have been abolished. We fought a great war to end the institution of human slavery; the problem before us is the abolition of industrial slavery, a vastly more important crusade than the former, and which can be accomplished without the shedding of human blood, and without the passing of new laws by Congress, but by the simple method of repealing those bad laws which interfere with life, liberty, and the pursuit of happiness. As was so well stated by Buckle in his "History of Civilization":—

"Every great reform which has been effected has consisted not in doing something new, but in undoing something old. The most valuable additions made to legislation have been enactments destructive of previous legislations; and the best laws which have been passed have been those by which some former laws have been repealed."

THE *Yankee* for July, an interesting periodical published in Dublin, New Hampshire, contains an article on New England's Only Taxless Town, which happens to be in the State of New Hampshire. Its only revenue is derived from the railroad which supports the town. What a paradise for the landlords!

A Report of the Henry George School

PREPARED FOR THE BOARD OF REGENTS OF THE UNIVERSITY OF THE
STATE OF NEW YORK, JUNE 1, 1937

BRIEF HISTORY

ON September 15, 1932, the Board of Regents granted a provisional charter to the Henry George School of Social Science, incorporating it as an educational institution to maintain and conduct schools and lecture forums for the purpose of teaching fundamental economics and social philosophy.

For several years previous to this incorporation the work of the School had been conducted as an independent enterprise by the late Oscar H. Geiger. The value of his work was recognized by those who attended his lectures, and who felt the need of extending this educational venture through the names of an organized School. Among those who appreciated the need for this teaching was Dr. John Dewey, who therefore accepted the honorary presidency of the School.

The headquarters of the School was established in the building at 211 West 79th Street, New York. These consisted of an office and library, and a classroom. Three years later the entire building above the ground floor was taken over. The School premises now consist of four classrooms, a library, an office devoted to local classwork, an office for the correspondence division, and an office devoted to extension classwork.

In the first year eighty-four students were enrolled. Weekly public forums were conducted for the general public. In June, 1933, Dr. Oscar H. Geiger passed away. Mr. Norman C. B. Fowles was elected acting director the next month, and in September classes were resumed. The interest in the School's work evidenced by many friends and contributors throughout the country suggested the possibility of opening extension classes in other cities where qualified teachers could be secured. The School syllabus and classroom helps were printed for this purpose, and a field director, Mr. John Lawrence Monroe, was assigned to the work.

The growth of the School required also the services of a business director, and Mr. Otto K. Dorn, a retired business man of considerable experience, volunteered his services.

The following table of enrollments in the required course in fundamental economics and social philosophy, and the gross expenditures will give a graphic picture of the growth of the School. The enrollment in advanced classes is in addition to these figures.

Year.	No. Local		No. Extension		Enrolled		Expense.
	Classes.	Enrolled.	Classes.	Enrolled.	Total.		
1933	11	84	none	none	84	\$1,618.39	
1934	18	335	4	48	383	5,534.00	
1935	33	811	71	1,438	2,249	9,464.39	
1936	44	1,196	166	3,069	4,265	14,069.74	
1937*	51	855	113	1,926	2,781	12,825.67	

* Five months—January 1 to May 31.

At first the faculty consisted of Mr. Geiger, his son, George Raymond Geiger, Ph.D. (Columbia), Mr. John Luxton, teacher at the Tilden High School, New York City, and Mr. Max Berkowitz, A.B. (C. C. N. Y.). In 1937 the faculty at the School—not including extension courses—consisted of twenty teachers.

The School year ending December 31, 1936, gives a clear picture of the rapid growth of the School from its humble beginnings. The strain upon its excellent staff of devoted volunteers became too great for the work. It was necessary to supplement this with a full-time manager, and with several full-time secretaries. This was made possible by the increase in the number and size of the donations and by several generous bequests. Mr. Frank Chodorov, A.B. (Columbia), a former school teacher and an experienced business man, was engaged

to take charge of the School. He is assisted by five secretaries, in addition to the usual complement of graduate volunteers, to say nothing of the five trustees who meet weekly for the purpose of formulating and directing policies.

A Correspondence Course was added to the curriculum in February of this year. At the present writing over four hundred students are enrolled in this course, quite a number of whom include high school and college instructors.

EQUIPMENT

The School library now consists of 4,107 volumes, dealing mainly with economics, sociology, government and philosophy. Three rooms are equipped with the usual classroom furniture. A fourth classroom, used only for advanced courses and for board meetings, has removable chairs, in addition to desks, and office library. The office for the local work, on the first floor, contains several desks, office files, typewriters, dictaphones, etc. The extension class and correspondence course offices are similarly equipped.

COURSES AND METHOD

Part I.—Fundamental Economics and Social Philosophy.

This is a ten-lesson course required of all students. Each session is two hours in duration, and is held once a week. The textbook is "Progress and Poverty," by Henry George. Collateral reading is suggested. At the end of each session the students are given a printed list of questions which cover a reading assignment in the textbook. These questions are answered and discussed at the subsequent session. The discussion method is followed in the classes. Full freedom within the scope of the subject matter of the lesson is encouraged.

This course is followed by a six-week course in International Trade. The textbook is "Protection or Free Trade?" "Social Problems" is collateral reading.

Part II.—The Science of Political Economy.

The title of this course is also the title of its textbook. In this course, which also consists of ten two-hour sessions, various schools of economic, political and sociological thought are discussed. Six additional weeks are devoted to the study of the Philosophy of Henry George, by Professor George Raymond Geiger.

TEACHERS TRAINING COURSE

This is a course of indeterminate length, but never less than ten sessions. Enrollment in this course is by selection, and the classes are limited to not over twelve students. Each student is required to teach at least one lesson. The method of classroom discussion is explained. Each question in the Teachers Manual is analyzed, so that the fundamental concept which the answering of this question is intended to bring out is understood.

Out of this class the teachers for classes and for the Correspondence Course are selected. Usually the prospective teacher supplements his training course by handling correspondence lessons before being assigned to a class.

FACULTY

From the above outline of the Teachers Training Course it can be seen that the main requirements for the faculty is a complete understanding of the subject matter and the methods of this School. Previous training or cultural background is not stressed in the selection of instructors, because it can readily be understood that unless one has had a sufficient amount of education, business training or general experience the probability of qualifying is very remote. Most of our teachers, therefore, are college trained. It is, however, even more important that they have those gifts of "sweet reasonableness," dialectic, and demeanor which are necessary for the teaching of adults in discussion groups. And, of course, a thorough knowledge of the subject matter.

Among our teachers are to be found men and women of such diversified interests as lawyers, bankers, public accountants, school teachers, engineers, brokers, manufacturers, journalists, insurance men, minis-

ters. All of our teachers are volunteers. They teach because of their sincere interest in the subject matter. Their attitude toward this avocation is not to be measured in terms of money, and all of them teach at the sacrifice of time, effort and personal comfort. Most of them contribute money as well to the work of the School.

However, even though the teaching is on a volunteer basis, the course is held to a definite form, through the required use of a Teachers Manual in all classes. This instrument, therefore, assures uniformity of interpretation and instruction, if not in presentation. Further conformity is assured by the use of common textbooks.

Above all, the teachers are trained to avoid all appearance of political partisanship, propaganda or bias. In the teaching of political economy a purely objective point of view is sometimes difficult. But this very difficulty is an asset to our teaching, because we have found that fairness and impartiality in handling all questions and all schools of economic thought induce a greater willingness to learn what Henry George has taught. This is impressed upon the teachers not only in their training course, but also by the quickly gained knowledge that to hold one's classes one must be impartial.

CHARACTER OF STUDENTS

This is a venture in adult education. Invitations to our classes are sent promiscuously to the general public. A cross section of our student body will contain almost every occupation that man engages in, and every age from eighteen to sixty. The greatest number, however, seem to come from the professional and business fields. School teachers, lawyers, and public accountants are relatively the most abundant. Architects, brokers, dentists, clerks, manufacturers, housewives, business executives, students—it is impossible to characterize the kind of students who attend these courses except to say that they are men and women who are interested in studying fundamental economics and social philosophy. Since the knowledge gained at this School cannot be capitalized by the student for his material advantage, and can have to him only a cultural value, it must be evident by the numbers who take this course that there is an actual need for it. It serves a useful purpose in adult education.

A Poet's View of the English Land Question

The people they left the land, the land,
But they went on working hard;
And the village green that had got mislaid
Turned up in the squire's backyard:
But twenty men of us all got work
On a bit of his motor car;
And we all became, with the world's acclaim,
The marvelous mugs we are:

CHORUS

The marvelous mugs, miraculous mugs,
The mystical mugs we are.

GILBERT K. CHESTERTON.

TURNING back, wherever there is light to guide us, we may everywhere see that in their first perceptions, all peoples have recognized the common ownership in land, and that private property is an usurpation, a creation of force and fraud.—PROGRESS AND POVERTY.

"POLICE Urged to Study Teeth in Curbing Crime," is the heading of a news item. Good! Our war against crime seems to be making progress.

A Bit of News and a Word of Thanks from the Robert Schalkenbach Foundation

IT is our pleasure to make an interesting and important announcement.

At a meeting of the Board of Directors held May 25, 1937 (too late to be reported in the last issue of LAND AND FREEDOM), the Honorable Lawson Purdy, one of the original trustees named in the will of the late Robert Schalkenbach, was elected to fill the vacancy created by the death of Charles O'Connor Hennessy. The nomination was made by Anna George deMille.

Mr. Purdy has been a shining light in the Georgeist Movement since its earliest days. A friend and co-worker of Henry George, some of the most valuable accomplishments have been the results of his labors. As Secretary, then President, of the New York Tax Reform Association, he was instrumental in bringing about the separate assessment of land and improvements in New York City. Mr. Purdy is the only surviving member of the Committee of Five appointed by Henry George in the days of his mayoralty campaign. The others, Charles Francis Abbott, Jerome O'Neil, Charles Frederick Adams and Charles O'Connor Hennessy, have dropped from the ranks. At the same meeting John W. Angus, Lancaster M. Greene and Otto K. Dorn, were elected trustees. Philip H. Cornick will continue in the active role of First Vice-President.

We are deeply grateful to our friends for the splendid way in which they responded to our "Open Letter" (last issue of LAND AND FREEDOM) asking for help in establishing "Progress and Poverty" with the bookdealers. As a direct result of your efforts, the sale of "Progress and Poverty" to bookdealers increased in July *sixty-six per cent*. We earnestly hope you will continue your splendid work.

Frank Berman, Bronx, New York, recently sent a large selection of books, including all the important titles, to the library of the West Point Military Academy. Said Mr. Berman in placing his order, "In case of trouble, we might as well have the officers on our side." This is an excellent example of the good work that can be done, at little cost, among the libraries. Does your local library have sufficient clean copies of the latest edition of "Progress and Poverty"? Why not look into this next time you are browsing around?

The *New York Times*, Sunday, July 18, 1937, reported, "St. John's College Turns to New Teaching—'Best Books' the Basis—Ancient and Modern Works, from Plato to Marx, Are Listed for First Course." In the article that followed it was stated that one hundred books will form the basis of the new curriculum. Said President Barr, "For fifteen years we have sought the most effective

teaching devices for instructing and freeing the individual mind. We believe that we have found it in the carrying of the great tradition to the individual mind. The masterpieces of the great thinkers are the tangible embodiments of the tradition. The hundred best books of European thought in all fields will provide the college new means of instruction." Further on, a partial list of the authors to be studied, was given. Among them appeared Karl Marx, but not Henry George. A letter was immediately dispatched to President Barr, together with a complimentary copy of "Significant Paragraphs" from "Progress and Poverty." The following courteous reply was received: "Thank you for your kind letter, and for the copy of 'Significant Paragraphs' from 'Progress and Poverty' by Henry George. The list of books which our New Programme makes use of is by no means fixed or complete, and we welcome suggestions such as yours." The letter was signed by Stringfellow Barr, President.

In a spring review of our work among colleges and universities, it was found that for one year ending April 30, 1937, we had supplied twenty-three colleges and six preparatory schools with books. This does not take into account books which may have been secured from bookdealers and other sources.

We are looking forward to a busy autumn. Those of our friends who are organizing extension classes of the Henry George School are urged to send in their orders as early as possible so that they may enjoy the advantage of the cheapest mode of transportation. Being slower, the cheap transportation can only be used when we are given sufficient time in advance of the opening session.

V. G. PETERSON, Acting Secretary.

An Assured Future The Henry George School Now Under Permanent Charter

ON another page will be found the text of the application of the Henry George School to the Board of Regents of the State of New York for a permanent charter. This application is in effect a history of the School to the point at which it has now developed, together with a statement of its aims and its extraordinary progress.

On July 30, the Board of Regents of the University of the State of New York, formally voted the grant of an absolute charter for the provisional charter under which the School has functioned.

Thus the School marches on. The dream of its founder, Oscar H. Geiger, is gradually receiving its full materialization. In his one little class room he foresaw and predicted the future world-wide movement for economic

freedom based on the knowledge of natural laws. In this way and in this way alone can the malign influences that threaten the world be overcome. The aspirations of the trustees for the future know no limit. But they will not seem fantastic in the light of progress already made. The trustees for the most part are business men of experience who plan grandly and proceed cautiously.

In the coming School year the definite plan contemplates five hundred classes with a total enrollment of twenty thousand in addition to five thousand correspondence course students. This can be accomplished if only a few more Georgeists volunteer their services as teachers.

Let this splendid work now entering, so to speak, on its second beginning have your full support. Its success will redound to the success of all other agencies for the promotion of our economic faith. It may be well to remind our friends at this point that donations and bequests to the School are exempt from taxation and that contributions to the School are deductible from your income tax.

To Teachers of the Henry George School

THERE is one paramount thought for the teacher of the Henry George School of Social Science to place in the front of his mind and to keep there all through his whole course of instruction.

He must inspire those who are his pupils to want to emulate his action and to teach; he must train others in such a way that they will want to become trainers.

He is not playing the role of lecturer, nor does he need to build up his own position of preceptor as one in a professional teaching job must of necessity do. Although he is trying to make converts to a great truth, his work is harder still, for he must create converts who will be inspired to go forth and convert.

Some of our most gifted instructors, who most capably teach the science of Political Economy and the philosophy of Henry George—because of their very brilliance and eloquence, but more particularly because of their avoidance of a simple teaching technique or pattern—discourage their pupils from themselves becoming teachers. Would they but hold to the Socratic method, lecture less elaborately and guide more simply, they might, when they ask their "graduates" to start new classes, meet with enthusiastic acquiescence instead of: "Oh, I could never teach this subject! I can't lecture. I'm no orator—and even if I were, it would take me years to do the collateral reading to conduct a group like this!"

And so in various places the School does not grow as it should—and unless every, even moderately sized class produces at least one new teacher, how can the School grow as it should? If the first class hasn't given birth to little classes, though it may continue vigorous

and stalwart, its influence isn't fully achieved while it remains childless. (For oh, how this world does need those children!)

Therefore it is to be hoped that the brilliant lecturer-teacher will save his eloquence for platform and pulpit, where it is so greatly needed, and realize that his work in the Henry George School of Social Science is not only to impart a fundamental truth, but at the same time to show others *how* to impart it. This can be accomplished if he sets the example of holding to the simple question and answer method so clearly indicated in the "Teachers Manual."

Indeed, if all teachers thought of themselves by the names used in the HGSS of Great Britain—namely "guides" or "tutors," they would without doubt make greater progress in encouraging those who have been through the course with them, to go forth into the highways and byways as instructors, and "carry on!"

ANNA GEORGE DEMILLE.

The Henry George Congress

THE Twelfth Henry George Congress will meet in Detroit, October 14, 15 and 16.

It was originally proposed to convene on August 26, but on the advice of our Convention Committee, who desire fuller time for careful preparation and publicity, the October dates have now been finally approved.

This year's convention will be devoted primarily to the consideration of tactics and methods of propaganda and salesmanship, including suggestions for legislative and political action in favorable localities. In building the programme, your officers and committee will greatly appreciate your cooperation and any concrete suggestions which you may feel disposed to offer.

Mr. Laurence Smith, 2460 East Grand Boulevard, Detroit, is Chairman of the Convention Committee and is working aggressively to make this convention a profitable and successful one. We hope we may count upon your presence and active participation.

WE have called the group addressed on another page "morons" advisedly. We do so on the more weighty authority of Frederick Tilneys who in his work "The Brain from Ape to Man," says the brain is never more than half developed and never more than one-fifth used. And if this is the summary of so able a thinker it behooves you to stir yourselves into some brain activity that will develop the thinking function and enable you to arrive at correct conclusions.

SEÑOR CARDENAS, the new president of Mexico, is reported to have said, "Before I leave office I will solve the agrarian problem." It is to be hoped that he knows the simple way.

Miscellany

THE GAMBLING FARMER

Since great quantities of agricultural land are owned by corporations, syndicates, big estates, banks and land speculators, the fact that this land, for the most part, is mortgaged, means absolutely nothing with reference to the general condition of agriculture.

* * *

During this period farmers all over the country sold their farms at two or three times their original purchase price and bought larger farms and assumed larger mortgages. Even as the silk-hatted gambler in Wall Street!

* * *

The fact that farmers in certain states have engaged in wild land speculation and have lost, is no sort of justification for special governmental aid. For men, under such conditions, to appeal to the government to assess the millions of consumers and thus compensate them for their losses, is to confess that they are incapable of taking the dose they cooked up for themselves. Americans in the past have proved that they can take it!

The Farm Mortgage Myth, GUS W. DYER in
American Building Association News.

A WORD FOR THE MINISTERS

The ministers of Christ could get much new light by studying a few of the writings of Henry George, especially "Progress and Poverty." As a part of this letter may I take the liberty to ask your disposed consideration of an article in the April number of *American Mercury*: "The High Cost of Dying," by Albert Jay Noek? I believe, with all my mind and soul, that the communal activities of mankind are wholly as important a study for all of us as are the rules of personal worship and devout practices. We should know just what kind of sin that our public servants are committing us to live in and perpetrate. Christ commanded us to Love our neighbor as ourselves. How can that standard be inaugurated or maintained among individuals when collectively we do the opposite? A double standard of faith and morals is, to my mind, absolutely untenable. The State *must* be Christianized.

DR. C. J. LAVERY in a private letter to a minister of the Gospel.

FROM A REPRESENTATIVE BANKING ORGAN

A careful study of past real estate cycles, using all of the available data at hand, shows a fairly well defined pattern and a logical sequence of events.

Thus, starting at the bottom of any of the depressions, gradual betterment in general business, increased wages and employment cause families that have "doubled up" for the sake of economy to seek new quarters and families that have curtailed their dwelling space to expand it once more toward their normal requirements. This causes dwelling occupancy to increase and gross rents to begin to rise. Since mortgage interest is fixed and since the expenses of operating buildings advance more slowly than gross rents, net rents rise even more rapidly.

As a result of the rise in rents the selling prices of existing buildings begin to advance sharply, and since the present structures can be purchased at prevailing low prices (low relative to the cost at which they were constructed) very little new construction takes place until the buildings already on the market have found new owners. When the existing crop of structures has been absorbed new construction starts, slowly at first, but gains impetus as the construction industry recognizes that at last it is profitable to build once more.

Since the bottom of any depression is always followed by low interest rates and an accumulation of idle capital seeking new investment,

the volume of building is stimulated and sustained by a liberal supply of credit. The ease of financing new buildings attracts many sub-contractors and even building mechanics into the construction field as operative builders and since the amount of capital outlay which they are required to make is small they flourish and add to the volume of new construction.

THE WILDFIRE PERIOD

The new buildings absorb vacant land and thus give earning power to land long dormant. As a result the tracts adjoining the settled area become ripe for development, prices of close-in areas advance rapidly and the movement spreads beyond the recent confines to outlying farm areas. Acreage is subdivided into building lots, improvements are installed and lots offered at many times their value as acreage. *Speculators make large profits and the news of fortunes made spreads like wildfire among the public.*

P. P. FULBEN in *Banking Journal of the American Banking Asso.*

OPENING REMARKS OF BENJAMIN W. BURGER OF NEW YORK CITY TO THE GRADUATES OF THE NEWARK, N. J. EXTENSION CLASSES OF THE HENRY GEORGE SCHOOL

I am indeed happy to attend your commencement exercises. You have been studying the Georgeian philosophy for the past ten weeks under the guidance of unselfish teachers whose ambition has been to set your feet firmly on the road of economic truth. This evening, in the presence of loving friends and relatives, you are being graduated.

At the outset, may I make three observations?

(1) May I recall to you the significance of graduation? The word, you know, comes from the Latin "gradus" meaning a step. You have just advanced a step (a very important one, to be sure) *but only one step* in the philosophy of Henry George. This is your *commencement* on the road to economic truth. Continue on that highway. Read and re-read, study and ponder over "Progress and Poverty," "Protection or Free Trade," "The Science of Political Economy," and the numerous books and articles by George.

Read Mr. Rusby's brilliant booklet "Smaller Profits," which, in 64 small pages encompasses the entire philosophy. That booklet, I notice has reached a circulation of more than 150,000. Mr. Rusby may well be proud of his brain-child.

Read arguments *against* our philosophy and see if you can effectively refute them.

Renewed study will enable you to see our philosophy in its deeper implications. If you continue to study political economy there will be revealed to you wider aspects of the great philosophy. The test of a great book or a great philosophy is, that the oftener you return to it in the light of your increased experience and greater understanding, the more truth will be revealed to you, not previously perceived. I have been studying the philosophy more than thirty years; every year reveals to me finer and clearer and nobler vistas of economic truth. You have reached the base of the mountain; as you ascend the slopes the view will become constantly clearer and finer and more awe-inspiring. It is not given to us to reach the summit, if indeed there be a summit. The *quest* rather than the *terminus* must ever be our objective.

Do not be like the sweet High School graduate who, happening to be seated next to Professor Einstein at a banquet such as this, innocently asked, "What do you do in life?" He replied, "I study astronomy and mathematics."

"Dear me," she answered, "I finished both those subjects last year."

The science of political economy, like any science, is dynamic, not static. It is made of the stuff of life. For that reason, the last word has not been said, *and never will be said*. If ever one final word

could be uttered, the science of political economy would no longer be a living thing.

Henry George, great man that he was, never spoke *ex cathedra*, nor claimed infallibility.

Lastly, I beseech you to spread the knowledge which ^{is} now is yours. For the supreme value of knowledge lies in the enlargement and ennoblement of the human mind, in general, of which it is the cause. I recommend that as quickly as possible you begin to teach political economy. In spreading the Georgeian philosophy you will find yourself constantly becoming better grounded in economic principles.

I was asked to teach Latin and geometry twenty years after I had left High School, at a time when I had only the barest recollection of those subjects. In teaching my student I learned those subjects more thoroughly than when first I had studied them. You can do the same with political economy.

The Henry George School Commencement Dinner

THE Fourth Annual Commencement Dinner of the Henry George School of Social Science was held at the Roger Smith Restaurant, 40 East 41st Street, New York City, on June 11, at 6:30 o'clock in the evening.

About one hundred and twenty-five persons attended, most of them graduates of the classes just ending.

Lancaster Green, one of the trustees of the School, introduced the speakers.

The regular two-minute speeches were made by student-representatives of the various graduating classes. One of the earliest of these speakers sounded the key-note when he said, "If we first know where we are and where we are tending, we can better judge what to do and how to do it. There are few fields where the knowledge 'where we are and where we are tending' is as important as in the field of economics. As a result of our ten-week course just ended, we know that never before has there been such material progress and never before so many people unable to participate in that progress. We know that we have progress and that we have poverty, and we know the reason why."

Mrs. deMille, back from a busy round of speech-making at various extension class graduations, but not too weary to help here also, spoke briefly. She said, "I have known about that fellow Henry George for a long time—I knew him as a fine person before I knew about his philosophy. This philosophy is the open sesame—the way out of all this mess we are in."

Other speakers were Sydney Tobias, Mac Edds and Frank Chodorov. John Monroe, just back from a trip through New England, reported great progress in the establishing of extension classes in that section.

"THE personal income tax in our country is too small to give proper results," says a writer in the August number of the *Survey Graphic*. A statement to which all predatory governments will subscribe!

Activities of the Manhattan Single Tax Club

THE Ingersoll broadcasts are progressing in "distribution" as well as economic quality besides some minor improvement as shown in the schedule below:

Mr. Ingersoll has been given a very favorable place for his weekly current events by one of the larger stations. WBIL, just taken over by WOV, is a 5,000 watt station. Mr. Ingersoll is giving closer study to simpler language for presenting economics to the ordinary public.

To do this, without weakening the force of the Georgeist position or laying himself open to the "step-by-step" charge, requires careful thought. Below are given a number of examples illustrating this particular object and upon which Mr. Ingersoll would be glad of comment from LAND AND FREEDOM readers.

Mr. Ingersoll believes that in the solution of the problem of presenting scientific economics *to the public*, lies the answer to our progress: this is the old problem of distribution—as distinguished from that of production. We have any amount of first-class economic material, but no one has concentrated definitely on putting it in form such as the public will absorb. One reason for this weakness may be that we have put too much reliance on converting the highbrow and so have not developed the best presentation even for him.

CHARLES H. INGERSOLL'S WEEKLY BROADCASTING SCHEDULE

Mon., WCNW, 2:30 P. M.; WWRL, 11:15 P. M.
Tues., WCNW, 5:30 P. M. ("Romance of Time"); WBIL, 6:45 P. M. Thurs., WLTH, 8:15 P. M. Fri., WDAS, 1:00 P. M.; WSNJ, 3:00 P. M.; WRAX, 4:45 P. M. (Phila.) Sat., WWRL, 11:00 P. M. Sun., WOV, Public Service Forum Hour; 6:30 P. M. to 7:00 P. M. (C. H. I., Chairman and Director.)

All kilocycles 1400 to 1500 except WOV, 1130—1000 watts; WBIL, 1100—5000 watts.

DORIS ANGEL, Office Secretary.

Radio Broadcasts

BY CHARLES H. INGERSOLL

PHILADELPHIA IS FOR THE MOMENT LEADING THE WORLD IN A VERY IMPORTANT MATTER. Her handling of the vacant lot question; it proposes to charge every lot 10 per cent on its income. If Philadelphia would only follow up this move of collecting "unearned increments," it would have no more financial troubles. These lots get their ability to earn income only from one source, the people of the city; and so—not 10 per cent, but all—of that income should go to support the people's government. And, obviously, the vacant lots are the least logical for this collection of social values. The lots having rich properties and profitable businesses on them, make up the bulk of the vast fund of economic rent, awaiting the Philadelphia statesmen, on whom the first light of economic wisdom will dawn.

AT LAST WE ARE TO HAVE A CENSUS OF THE IDLE. Congress promises it by April. And the number of unemployed will be substantially reduced by the expenditure of \$5,000,000 taking this fateful census. It seems as though there was considerable doubt whether we want this census or not—we have been so long deciding it. Some of us would really prefer not to be reminded of the exact number of millions of unemployed. There has been a big spread between the various estimates, from the White House to Republican headquarters. The fact is there should be no such thing as unemployed. The shoe should be on the other foot. Labor should always have two jobs looking for every worker. A strike—or any labor dispute, should be unknown.

PICKETS ARE ABOUT AS MUCH IN POSSESSION OF NEW YORK STREETS AND SIDEWALKS AS SIT-DOWNERS ARE IN PENNSYLVANIA, MICHIGAN, AND OTHER INDUSTRIAL STATES. I was brought up to believe that when a man paid rent for store, he had very definite property rights—that the public was his "property"—but apparently the people are right who say that law—even natural law—is subject to frequent revision. Everywhere we see the swirling, shouting, threatening mobs, politely called picketers, keeping customers away from stores that pay hundreds of dollars daily rent; and the police seem to be protecting them.

REV. HARRY EMERSON FOSDICK COMMANDS AN AUDIENCE OF 4,000 EVEN IN MID SUMMER AND DOES NOT FEAR TO TACKLE A TECHNOLOGICAL SUBJECT. He says our machine age has brought us confusion rather than freedom, as in theory it would. But his solution is disappointing.

Dr. Fosdick could help the solution of the complex he so effectively presents; and it could not well be spiritual; it must be economic. Machinery is always making an excess of products; modern tools—capital—put in the hands of man have so multiplied his productivity as to "overproduce," produce surpluses that amount to confusion.

The answer is not to stop production as unionist illiterates would, to socialize and redistribute it as collectivists would, or to regard it in dumb confusion as our leaders generally do. The answer is to notice the social services performed by the machine and socialize them, and them only.

Dr. Fosdick understands of course that in referring to the machine he means all that dynamic fabric of activity that, in the hands of 125 million "workers" produces everything those same people want. It is the coordinate arm of production, capital—the twin-brother of labor. But the Doctor may not understand that these two produce an intangible social dollar, for every tangible private dollar they divide among themselves.

That is the surplus energy of the machine which, permitted to go astray, makes this confusion the Doctor dramatizes. It makes the socialist think he should capture the machine, the communist think wealth should be divided, and the bureaucrat that laws should be piled higher.

But is it not much easier to see that the social lost dollar should be recovered and used to do two vital things? (a) displace the burden of 15 billions of taxation that now crushes the consumer, halves his buying, shuts down factories and makes millions of unemployed; (b) put this tax all on the monopoly that now takes this surplus dollar—taxing monopoly *out*, instead of industry.

THE problem of true property rights would be solved with justice to all people by collecting for public revenue the rental value of land, and removing all taxation from labor products. Land would then be held by the producers only, and not by the speculator.

JOHN T. GIDDINGS, in *Providence Journal*.

Henry George Fellowship Federated Chapters

DISPROVING the old theory that the Single Taxers were too individualistic to organize and achieve their common goal, the Federated Chapters of the Henry George Fellowship have demonstrated that Georgeists can and will cooperate.

According to National President, Nathan Hillman, ten cities have already become members of the Federated Chapters, stretching from Boston to San Francisco, with a total membership of over 3,000, and there are indications that more cities will soon join.

The Henry George Fellowship is the alumni organization of the Henry George School of Social Science. The Federated Chapters is the national body, and is the means whereby all of the Chapters can cooperate to achieve our final goal, the establishment of the Georgeist principles as the law of the land.

Many seasoned campaigners for the Single Tax cause, have expressed the opinion that the Henry George School of Social Science, is the best method yet discovered to make real Single Taxers in numbers large enough to amount. Of course, the School is not making Single Taxers of every student, and the Trustees of the School are the first to admit this fact. However, by and large, the School is making more and better Single Taxers, per dollar expended, than anything ever done before in the history of the movement.

Oscar Geiger, the founder of the School, realized that a person could not be made an expert in economics in ten weeks, and therefore conceived the idea of the Henry George Fellowship, which would keep the graduates together so that they could become better acquainted with the subject and with each other.

A tribute to Mr. Geiger's foresight is the growth of the Federated Chapters.

The graduates themselves, realizing the great need for further study, and cooperation to increase the followers of Henry George, have banded together and are doing an organization job that undoubtedly will prove to be a milestone in the history of the Georgeist movement.

The cities which are members of the Federated Chapters with their officers follow:

Chicago Chapter: Victor H. Verby, president; George Moyland, vice-president; Myron Goldenberg, treasurer; Marcella Gwin, secretary; Esther Meinecke, financial secretary; Esther Davis, secretary of social activities; Betty Feldbein, vice-president of social activities.

San Francisco Chapter: Edgar Pomeroy, president; T. L. Braizell, treasurer; N. J. Braizell, vice-president; Nellie D. Kujua, secretary; Jan Kujua, Dr. W. M. Cameron, time-keepers.

East Bay Chapter: (Consists of the cities of Oakland,

Alameda, Berkeley, Emeryville.) Robert Hunter, president; Grace A. Johnston, secretary.

Pittsburgh Chapter: Edward G. Lang, president; J. Butler, vice-president; John C. Weaver, financial secretary; Wm. A. Comorada, recording secretary; Nicholas C. O'Data, treasurer, Robert C. Bowers, executive secretary.

Montreal Chapter: John Anderson, president; Miss S. Walton, secretary-treasurer.

New York Chapter: Sidney Tobias, president; Claudia Pearlman, vice-president; John Munson, treasurer; Edith Salkay, secretary; Arthur Vetterman, honorary chairman.

Boston Chapter: Mark J. J. Leonardi, president; Lazarus Ogus, vice-president; Marjorie Dottling, treasurer; Albert R. Spears, treasurer.

Newark Chapter: George C. Winne, president; Alexander M. Goldfinger, vice-president; Morris J. Hoenig, secretary; Mitchell S. Lurio, vice-president.

Omaha Chapter: Harold Becker, president; Paul Koons, vice-president; H. F. Sarman, secretary-treasurer.

Kansas City Chapter: Hugh Ennis, president; John C. Baker, vice-president; Clara A. Rose, secretary; Mrs. H. Stolz, recording secretary; Jessie E. Monohan, recording secretary.

National Officers of the Federated Chapters are: Nathan Hillman, president. Mr. Hillman, formerly of Chicago, is now located in Hartford, Connecticut.

Edward G. Lang of Pittsburgh, vice-president; Noah D. Alper of San Francisco, 2nd vice-president; Harry E. Kuck of Cincinnati, Ohio, treasurer; Harold M. Becker of Omaha, financial secretary; J. Edward Jones of Chicago, corresponding secretary.

Joseph R. Carrol, Norfolk, Conn.; Edward White, Kansas City, and James C. Fuller, Missouri, are member of the executive committee.

FEDERATED CHAPTERS

OF THE HENRY GEORGE FELLOWSHIP.

Rev. Herbert S. Bigelow in the House of Representatives

MR. CHAIRMAN, I am as much handicapped in talking on the subject of taxation to this audience as though I were talking in a strange language. Forty-three years ago a great friend of mine, Tom L. Johnson, for nine years mayor of Cleveland, stood in the well of this House and supported an amendment to a tax bill which incorporated a principle in which I have believed for forty years. Our common belief in this cause was the basis of my lifelong friendship with this great Ohio citizen. They got six votes for the amendment in the House at that time, and the names of the six men were recorded in the Congressional Record that they might go down in history.

I have no illusions as to the possibility of passing such an amendment, which I am going to present at the appropriate time, but I do it to find out how many more people in this House will vote for this proposal than voted for it forty-three years ago. Moreover, I do it because of the sentiment involved. I spoke the last words at the grave of Tom Johnson in Greenwood Cemetery, Brooklyn, twenty-six years ago, where we left him sleeping beside his great friend, Henry George. It is a matter of sentiment with me to stand in the well of this House and do what my great friend did forty-three years ago, and offer the same proposal.

In just a couple of minutes I must try to give you a little flash of this truth. The first pioneers come to a community like the District of Columbia. There is no land value when they come, but as the community grows, the growth of population creates the land value. When the first pioneers come there is no need of public revenues, no need of taxes, but as the community increases there is increasing need of public revenue. This is the economic drama which has happened in every city in America. First you have the growth of population, there being now 600,000 people in the District of Columbia, and as a result of this growth of population you have two economic forces. You have land values and taxes. Taxes and land values rise and go up and up together, caused by the same thing, the growth of population. I say the rising land values of a community are just as clearly nature's provision for the increasing needs of revenue of the community as the milk in a mother's breast is nature's provision for the babe in her arms. At the proper time I am going to offer this amendment.

THE New Jersey Legislature admits that the unemployment problem is too deep for its members and adjourns without doing anything. How many of its members were honest enough to tell the voters before election that they were too ignorant to be fit for a legislator's job. Those who did not secured office and salary under false pretenses. Does not New Jersey law penalize fraud? Electing frauds to the legislature is one reason why unemployment exists.

THE Duke styles me a Pessimist. But, however pessimistic I may be as to present social tendencies, I have a firm faith in human nature. I am convinced that the attainment of pure government is merely a matter of conforming social institution to moral law.

HENRY GEORGE, "Property in Land."

THE only way to check and stop the evil (of the White Man) is for all the Red Men to unite, in claiming a common and equal right to the land, as it was at first and should be yet.—*Tecumseh's Speech* to Governor Harrison, at Vincennes, Aug. 12, 1810.

What I Learned in Santiago (Cuba)

ON first arriving, the picturesqueness of Santiago de Cuba, one of the largest cities in Cuba, reminds the visitor of a quaint picture on a post card come to life. Founded early in the sixteenth century, it presents old, crumbling churches and quaint little houses with large window openings guarded by fancy iron grills. The entrances are paved with beautiful, colored tiles. Tiny street cars rumble and rock through narrow streets, twisting their way up and down traffic-locked thoroughfares swarming with people. Untethered goats munch bits of grass along the more modern avenues where small parks and grass bordered walks have been set. Many stray dogs dart about while, very near, overhead, greasy buzzards soar boldly, hinting that although Santiago boasts a Department of Sanitation housed in a beautiful new modern building, much is still required for its proper functioning.

The green steep hills behind Santiago are peppered with small plots of ground, haphazardly cultivated. Small, ramshackle houses or huts, sometimes covered only by colorless dry palm leaves, shelter the tillers of these fertile tiny acres. At each doorway groups of small children, mostly naked, peer shyly around a mother's tattered skirt.

Yet strangely enough, as one approaches the town proper, many vacant plots of more arable and desirable ground, large and small, may be seen—level and fertile land whose appearance of being long unoccupied is accentuated by the sagging, dusty, windowless houses, partly covered by some huge wild vine, or shaded by fruit-laden mango trees, untended. If the villager wishes, he may climb through a rift in the barbed wire or picket fence and pick himself a hatful or stomachful of these abundant fruits that seem to grow and ripen only to rot on the ground.

After insisting strenuously, I was conducted through a typical untenanted parcel of land and was told that although the rental, including a house of four large rooms, was considered quite moderate, the place had been vacant for years. It seemed that the poverty of the would-be buyers, unable to spare even the initial rental, together with the instability of the local government and its inability to guarantee them security, prevented occupancy. Then, too, if rented, how could the place be maintained during the months necessary to recondition this tumbled-down, weed-choked field?

Considering the large amount of idle land, the landowners seem perfectly willing to hold to their high prices and to their land as well. Thus, in limiting the amount of land in use, rents increase as the margin of cultivation and wages are forced lower until it is no longer profitable for the small independent farmer or industrialist to hire laborers and remain in business. Thus, unemployment statistics rise higher.

Meanwhile, increasingly large numbers of idlers and beggars, the latter mostly ragged children, clutter the streets. It is difficult to forget one beggar, very old and ragged, blackened and dried by the sun, who seemed contented to rehearse his "line" time and again in a dreary monotone whether or not there were any passersby to hear. Yet his condition differs from that of others only in degree.

Strangest of all, we noticed several hundred men and women, laborers, streaming through the immigration and customs building. A few of them laughed or smiled cheerfully as they greeted a familiar face but most of them looked sullen and expressionless as they patiently shifted their possessions, tied into cloth bundles, while they waited their turns to enter the immigration office. Then we noticed that those who came out proceeded in groups to the dock where they piled through the side hatches of an old freighter to take their places inside the crowded, stuffy hold. It must have been hot in there for the sun beat down on the ship as though it would blister the paint on its deck and sides.

Upon inquiring into the causes of this wholesale exodus, we were casually informed that they were being deported to the places whence they originated, Haiti, Jamaica and other points of the West Indies. But why? With little attempt to hide his impatience with such silly questions, our informant snapped "that since there was scarcely work to be given our own native-born, how could we possibly find employment in these times for outsiders." Many of them had made their homes in Cuba for years but because of some little loophole, excuse had been found to deport them. Strange indeed that so many whose mouths have to be fed, and bodies clothed and housed, with able hands that are capable of creating tremendous wealth for Cuba itself are unable to find the means whereby they may produce and exchange the necessities they must consume in living! And so these human cattle were being shipped to other lands. Let's hope they found better "grazing."

Thus we scratched through the patina that covers Santiago to see the wretchedness seemingly ignored by its more prosperous citizens. We viewed the rank poverty of such dusty little villages as Caney on its outskirts, nestled below the historic ruins of El Viso fort.

When we look into the causes of the decay and misery that spread to our older neighbors, almost matched by the slums of our own large cities, it would seem that we too are on the same road. Only those with closed eyes can ignore these evils that arise from denying in one way or another free access to man's natural heritage, land, the basic means from which he derives his subsistence.

An attempt to alleviate this situation is to be made by Colonel Fulgencio Batista, Chief of Staff of the Cuban Army, who recently announced a three-year plan to bring about the economic and social reconstruction of Cuba. In a twenty-point legislative programme, which will regimentate almost every phase of national life, he proposes to include regulation of rentals, wages, and payments to planters for cane, reforms in the tax system, a tightening of labor legislation under which no foreigner can obtain employment, strict regulation of the tobacco industry and agriculture in general, and the distribution of State lands.

Though complete details are still lacking, opposition is growing among business men and merchants who feel their interests at stake. Financing this vast plan, in the face of huge deficits mounting yearly, will naturally mean a tremendous increase in taxation to industry and the public in general.

Somehow, this all sounds very familiar as though we'd heard it before and brings to mind the man who tried to lift himself out of a deep ditch by his bootstraps.—EARL D. JONES.

Postal Card Suggestion

PERSONAL RESPONSIBILITY IN "FOLLOWING-UP"

FOLLOWERS of Henry George are failing to reasonably advance his Cause; and it is due primarily to failure to responsibly follow-up the basically demonstrated *science* on which it rests, and to adopt *persuasive methods* of dealing with common "sense-of-justice" views on which acceptance of it inevitably depends.

For although all sciences rest solely on natural-law facts—not on authoritative statements by anyone or on moral-law views—*acceptance of Social Science* laws which apply to human beings instead of senseless things, must practically depend upon this human "sense-of-justice." And any arrogant antagonizing of it in natural converts drives them from the simple appropriation of Rent as Enough, into the confusions of Socialism.

Such antagonizing of natural and essential converts is mainly due to *authoritative predicting* of Single Tax results which are repulsive to them; this predicting being largely substituted for the *Scientific-Fact* teachings (1) That natural law results are inevitably fixed regardless of *beliefs* about them; and (2) That the elimination, by Single Tax, of present Rent income to mere ownership of land, will

also eliminate this income from present interest yield to mere ownership of wealth (capital).

Conscientious Single Taxers must teach these inherent truths or be practically false to the Cause. And to avoid contempt for their intelligence and fairness they must recognize obvious natural facts notwithstanding authoritative disregard of them. They *must know* as ordinary humans do, that all unlimitedly producible goods, including pigs and calves and wheat and cotton, do naturally sell below average-wage yield whenever over-produced; and that superior *using* of capital by human beings earns correspondingly high wages without senseless capital in itself earning anything. Then they can effectively show to common sense workers that the great Remedy is Enough—that further Socializing is *not* needed.

The specialized learning of school-men economists notoriously does insure above average using of common sense, which is about all that Single Tax truths essentially call for; and even students of Henry George need to use and to respect such independent thinking in responsibly following-up his great work. For *without this*, persuasive appeal for common sense support of the Cause sinks to authoritative teaching, which is obnoxious to independent thinkers. These are simply hindsight views of an oldster in the Cause.

WALTER G. STEWART.

Hon. Charles R. Eckert in the House of Representatives

MR. SPEAKER, the National Labor Relations Act is being acclaimed by labor as one of its greatest achievements in the long and weary struggle for its rights. The weeks and months that its life was hanging in the balance labor was filled with anxiety and despair. The actions of the courts were awaited with bated breath, and when at last, on the 12th day of April, 1937, the Supreme Court of the United States pronounced the act a living thing there was great rejoicing in the ranks of the workers. And this not without reason, for the principles for which labor fought and struggled throughout the years were at last sanctified as the law of the land. The right of self-organization and collective bargaining have been regarded by the champions of labor among their most important and effective weapons.

That labor should be unduly enthusiastic about the outcome of the legal battle over the Wagner Act and anticipate greater benefits than can possibly be realized must be expected. For the rank and file of labor have not only been schooled in the efficacy of self-organization and collective bargaining by their leaders but the Supreme Court entertains and declares the same view. In the light of the teachings of the leaders of labor and the decisions of the Supreme Court, it is but natural that practically everybody is entertaining the thought that, with the Wagner Act and related legislation securely on the statute books, labor is about to enjoy its just rewards.

Without minimizing in the slightest degree the importance and value of the legislation embodied in the National Labor Relations Act, it may be well to remind ourselves that, notwithstanding the legal recognition

of the much-coveted principles underlying the Wagner Act, the war for the full rights of labor has not yet been won, and that many bitter battles remain to be fought. Candor impels the necessity to remind labor that the enjoyment of the full fruits of labor can come to pass only when the basic element of production will be available to all on equal terms and the rights of the people to their God-given inheritance restored. Equality before the law and the right to life, liberty, and the pursuit of happiness are delusions so long as labor must pay tribute to the privileged few for the opportunity to labor and produce.

In the celebrated case of the National Labor Relations Board against the Jones & Laughlin Steel Corporation, recently decided, Chief Justice Hughes, who delivered the majority opinion of the Court, said:

"The right of employees to self-organization and to select representatives of their own choosing for collective bargaining or other mutual protection without restraint or coercion by their employer is a fundamental right. Employees have as clear a right to organize and select their representatives for lawful purposes as the respondent has to organize its business and select its own officers and agents. Discrimination and coercion to prevent the free exercise of the right of employees to self-organization and representation is a proper subject for condemnation by competent legislative authority. Long ago we stated the reason for labor organizations. We said that they were organized out of the necessities of the situation; that a single employee was helpless in dealing with an employer; that he was dependent ordinarily on his daily wage for the maintenance of himself and family; that if the employer refused to pay him the wages that he thought fair, he was nevertheless unable to leave the employ and resist arbitrary and unfair treatment; that union was essential to give laborers opportunity to deal on an equality with their employer."

From these words it may be fairly inferred that a laborer, as a member of a labor organization, is on a basis of equality with his employer and therefore in a position, through the power of collective bargaining, to demand his full rights. But before accepting this conclusion and ringing down the curtain on the problem of labor, let us examine the facts. And in considering this problem, let it first be observed, in order that laborers, either individually or collectively, may deal on an equality with their employer it is necessary that such laborers enjoy freedom of contract. It goes without saying that, unless the right to bargain on the part of the contracting parties is free from pressure or duress from any source whatsoever, there cannot be equality between the parties. It has been said:

"Freedom of contract begins where equality of bargaining begins."

In other words, there is no freedom of contract where the bargaining power of the contracting parties is unequal.

Freedom of contract is a deceptive phrase. Americans are boastful of their so-called freedom and accept as a matter of course that the inalienable rights with which man is endowed are theirs to enjoy. Upon examination, however, this is a bold and unjustifiable assumption. America has not yet achieved that station of economic and political development where it can be truthfully asserted that the wage workers are free and independent. True freedom is impossible in an economic order when even the most obscure worker is denied the opportunity to use his labor for the satisfaction of his wants.

Do laborers, even with the right of self-organization and collective bargaining, enjoy the economic freedom necessary to use their labor to satisfy their wants or to deal with their employers on a basis of equality?

Reprinted in part from the *Congressional Record*

Port Newark— Suckers and Sharks

NEWARK, N. J. is a city of half a million people. However, she has never attracted much attention in the past, due no doubt to her proximity to New York City. Lately, events have occurred which have put Newark on the map, so to speak, and therein lies our tale.

Among the "failings" of New Yorkers is a propensity for poking fun at their neighbors. There is a story that a big New York daily once taunted the smaller town by propounding the mock question, "Where is Newark." A newspaper of the latter hastened to reply, "Why, just 9 miles from the biggest sucker town on earth." Yet, as subsequently will be shown, the New Jersey paper spoke less wisely than it thought, despite the fact that, among other evidences of her gullibility, New York has tamely submitted to a sales tax and similar devices for mulcting her citizens of any advantages which her peculiar location has given.

One of the reasons which caused the big city to look with scorn on Newark was due to the fact that ages ago Mother Nature saw fit to lay at the future Newark's backyard acres and acres of slimy marshes, in which the mud would ooze back and forth with every change of the tide of the bay, just off the Atlantic ocean. The brackish waters and the millions of "cat-tails" growing out of them seemed to serve but one purpose—the creation of a paradise for the famous New Jersey mosquitoes. This part of the earth was cursed by every New Yorker, and Newarker, who felt the sting of the pests.

But something happened. In what was a liability heretofore, Newark saw possibilities. Those salt meadows were potential assets. In a few years they were given artificial drainage and a great part of them was filled in. As a result, a fine seaport has been developed there, as well as a superb landing field for air planes, the finest in the annals of aviation. Even New York acknowledges the smaller city as the eastern terminus for the transcontinental plane traffic. So that in a very short time Newark "has come into her own," but only metaphorically speaking. Let us see.

After Newark first saw what seemed to be a vision, she was confronted with the problem of working out the plans. Despite the fact that the drains and fill on the meadows were done at municipal expense, the city did not have title to all the lands necessary for the development. To be sure, she had a sort of claim to part of them, but these were of the tax title variety, always looked on rather coldly by the legal profession. However, in the initial stages there seemed

no need of hurry. It was felt that outstanding claims could be bought at leisure and it would be only a question of time to assemble all the various parcels into Newark's hands. Even then, there were some meadow owners who were offering to let their holdings go for a "fair price," which in some inexplicable manner tended to settle around \$3,200 an acre. A few decades back they could be had for a song.

Time passed. Progress tarried not to bargain with the land owners, either peacefully, collectively, or otherwise, but started the good work of constructing basins, piers, warehouses, runways and accessories for airplane service. And land values moved forward, a sure sign of progress. (?) Now and then a site would be "lawfully" acquired although at increasingly higher prices.

Things apparently were running smoothly, when of a sudden a storm broke loose. It was all due to one of those periodic American pastimes known as an election. On May 11, just passed, several dozen candidates were running for the five-man office styled the Newark City Commission. The "outs" sized up the port situation, and forthwith took up against the incumbents seeking re-election that good old battle cry, "Throw the rascals out!" At the proper time a Supreme Court investigation was ordered, to inquire into certain alleged acts of misfeasance by the commissioners.

In 1928, as brought out at the Court hearing, the basic price of certain of the meadow lands was "fixed" at \$3,200 an acre by willing sellers, as stated before. But for reasons which will hereafter appear, the city was not disposed to buy at that figure. Almost imperceptibly lawyers, and more lawyers, entered the picture. Transfers of title from the old to new owners were arranged. "Dummies," severally and in groups also became seized of various parcels. Anyhow, in 1935 we find the commissioners very anxious to buy, almost at any price! The "base rate" of \$3,200 an acre had jumped to \$20,000. In fact one parcel formerly offered by an old landed family for \$16,000 and refused, was now ordered to be purchased *from the new owners* for \$190,000. Somebody got word of this to a taxpayers' association who emitted such a lusty howl as to bring about a rescission of the contract. This outburst, however, must have exhausted their lung power, for the sale of other tracts went through. One, formerly begging at \$3,040 now brought \$44,000 to the new owners, mark you. More such lands were taken over at similar rates. In the old days such prices would have been preposterous. And rightly so, for then the ownership of the prizes was not in the "right" people. It takes a little while to swing deals of this kind, and a little cash, not to mention connections with the powers that be. But great and mighty were the forces of the vendors now. Each deal required a host of lawyers, appraisers, and go-between men, also politicians to travel far and wide to unearth heirs having 3/32 interests, etc. A new basic rate was evolved for the airport site requirements. For the floor of a landing field, what was more natural than to ask "ceiling" prices. The sky was the limit.

It was Abraham Lincoln who characterized as sharks the various gentry who were in his time despoiling the West with their speculations in our lands and natural resources. The analogy is a good one, but there is this difference. Unlike the water species, land sharks often go to great lengths to complicate their technique. The latter are much more acrobatic, as was evidenced in the Newark case by the remarkable trapeze acts of the recipients in concealing the sums they acquired through the meadow purchases. There were split checks, cut-back checks, cash checks and rubber checks. There was cash, lots of it, in tin boxes. Female performers had a part also, being ideal repositories of the aforesaid monies realized by their husbands. There were the usual terrific feats in forgetfulness of who did anything or what was what—appraisers hired and paid for by the city, but selected by the selling promoters and making their reports in the latters' offices; one "city" appraiser, who, for signing a report prepared by a municipal employee, received \$1,000 from Newark for the "appraisal;" reports for vendors and vendee containing in themselves the tell-tale evidence they had been typed on the same machine.

One episode in particular must be mentioned, for it depicts a struggle, in reverse, so to speak, between honor and shame. Strangely enough, the city had on its regular staff an expert in these salt meadow titles, who, in making a bargain with a pair of lawyers representing a vendor, actually got the better of it. Such outrageous conduct in taking advantage of a land owner and his two attorneys was not to pass unchallenged by counsel for the commissioners under investigation. The expert on cross-examination was asked if he didn't feel ashamed for his part in giving the city a break. Lo and behold the callous fellow admitted he hadn't lost any sleep over it! The examining counsel reeled back, speechless. Alas, that he could not have been inspired by Gilbert and Sullivan to have cast the moral in some such tripping refrain as

Oh, we don't aim to bear the blame,
We only seek to show the shame.

Of course, the commissioners had a defence to the charges. It was a simple one. They unanimously explained it was impossible to give the land purchases a proper consideration. Why? Because of the pressure of other business. Surely, they said, it must be a matter of common knowledge that about one-half their time is taken up in attempting to provide for or escape from the demands of indigent citizens. To put it in their own words the City Hall is primarily a headquarters for handouts and job seeking. Then too, municipal financing is a constant source of worry, giving them no end of sleepless nights. Not so long ago the Commissioner of Finance, frantic at the condition of the treasury, hit on the desperate idea of taxing all bank accounts in Newark. But of course the plan didn't work, for by October 1, the day on which they were to become assessable, most of the accounts walked out and went to New York and other places, thus escaping the tax. Slackers, the Commissioner called them, oblivious of the natural law that if you tax capital you tend to drive it away.

It was also shown that the port titles were very expensive, and this of course increased the city budget. On this point the Court minutes reveal from another commissioner a statement something like this—"When the City does not seek any lands they are offered for a reasonable price, but just as soon as we wish to purchase them the values seem to go sky high." Now that calls for a poet laureate to record a new version of naivete.

But there is even more unpleasantness ahead. Newark is about to face litigation. The cloverleaf layout for motorists on the meadow State Highway, the United States army base, and parts of the landing field are on disputed ground. A warning has already been given the city to get its lessees off the "rightful owners'" property, or they will, as a sample of their might, enclose the runways on the airfield. (Fancy being a passenger on a plane some day and having to make a three-point landing on a picket fence.) It might be noted that this prank is contemplated by one of the lawyers who cleaned up when the pickings in meadow lands were good. Nevertheless, he is a down-right honest fellow, and anything but a hypocrite. At the outset of his activities he made something of a vow which goes like this, "Never give a sucker a break." He claims he has never broken faith with his philosophy, and the facts in the case fully support him, as Newark can well testify.

To turn to serious comment, should we really get worked up at the doings of those whom good people are pleased to call despicable sharks. In the existing order of things are not sharks, of the marine variety, quite natural? Will they not continue to propagate as long as their God-given element continues to exist? Certainly. Is it not therefore idle to inveigh against the habits of any creature for merely adapting itself to its environment? Why, then, feel any differently towards land sharks. Can society really complain of the latter when society has produced the spawning grounds for them.

The real remedy consists in removing the cause. While in the present state of knowledge we may be unable to change the divine decree that makes ocean man-eaters possible, we do have it in our

power to repeal the man-made decree that makes the institution of land sharks possible.

How much closer to real justice would our aforesaid Court be, if instead of passing on the guilt or innocence of any individuals in the case, it were possible to hand down a presentment to the people of New Jersey, and elsewhere, as follows:

"We feel it is about time to cease making vain decrees on this vexed subject of land dealing. To this end, we would recommend immediate legislation for handling the cause rather than waste time on the treatment of the effects of speculation in land.

"In her slogan 'Newark Knows How,' we are left to infer that somehow this means progress. But what does it profit a city to rear splendid monuments if they rest on the backs of the people for the enjoyment of a favored few. When Newark first conceived a busy harbor and matchless air field, was that vision? Certainly not, if the effect inevitably tended to make it more difficult to get the necessities of life. And can this be denied in the face of higher and higher taxes together with a greater cost of living in relation to our purchasing power.

"Newark, you are held to ransom, and do not know it. The Port deal tribute you render is but a fraction of what you daily and hourly pay as a result of permitting private individuals to appropriate throughout the entire community the socially created land values which of right belong to all the people.

"You belie your slogan, 'Newark Knows How.' As presently typified, history will record it only as an evidence of membership in those legion states which have spent their substance in the fattening of the ultimate destroyers of all progress. If it is true that Newark Knows How, then remove the scales from your eyes, take up the banner of Henry George, exemplify his teachings, and lead the nation, and the world, to sanity and freedom.

CHARLES JOS. SMITH.

We append to the above the following editorial, taken from the *Newark Evening News*, dated July 2, 1937.

PORT'S FUTURE AND TAXES

Resignation of Newark's Industrial Commission, established to help develop Port Newark, has been ascribed to two causes: First, disagreement with Mayor Ellenstein's leasing policy, and, second, Newark's moronic administration of the personalty tax law. . . .

Of these twin handicaps the gravest, of course, is Newark's tax policy. The commission found it a formidable barrier to industrial expansion. Plants and payrolls naturally gravitate toward communities with a more equitable system, as has been demonstrated by the consistency with which General Motors and other corporations have passed up Newark for Linden, Trenton and other cities in and out of the state. . . . Other communities, less favorably situated, restrain the impulse to pile up crushing assessments. The inevitable result is that they get the business Newark should get. . . .

Unless Newark gets tax relief it isn't much use to consider the future of the Port.

The Fairchild Picnic

CLOUDY skies threatened on Saturday, June 19, but hearts were light as we climbed aboard a bus chartered by the Henry George School of Social Science and set out for Mr. Fairchild's annual picnic at his home, on the banks of the Mahwah River in Suffern, New York.

Arrived at our destination we found the graduating students of the Sunnyside Extension Class already there. A little later we greeted a large contingent from Middletown, N. Y.

The raising of the flag and singing of the Star Spangled Banner opened the day's activities. After that George-

ists made no secret of the fact that they were hungry and wanted to eat. Charles Homer, of the Sunnyside Extension Class, did an excellent job as chef and it was not long before coffee and frankfurters were being passed around.

Luncheon over, it was time for speeches and the presentation of the diplomas. The rain which we had cheerfully predicted would "hold off" commenced to fall in a dismal drizzle, but we were comfortable in a roofed stand which Mr. Fairchild told us was a new addition to his pleasant estate.

In his address of welcome Mr. Fairchild recalled an earlier picnic at which Oscar Geiger had announced publicly for the first time, his plans for a Henry George School. Speaking of his own work as a class organizer, Mr. Fairchild described groups in Middletown, Suffern, Sunnyside, and Madison Street, New York.

Our next speaker was Dan Beard, who related reminiscently his friendship with Henry George. He told of the gatherings at his studio in New York when Henry George, Father Huntington, Father McGlynn and Hamlin Garland met to discuss the problems of the day. "Henry George," said Dan Beard, "was a delightful companion."

Then we heard Mr. Frank Chodorov of the Henry George School of Social Science, who opened his remarks with a typical Chodorovian sentence—"More important people will speak to you today, but no one represents a more important movement than I do, because I am here to speak to you of the Henry George School." He sketched the history of the School from Mr. Geiger's first class to its latest graduation.

Speeches were made by various students, teachers and workers of the graduating groups. We heard Mr. Z. K. Green and Mr. Clunan, both of Middletown, Mrs. Bitterman, Secretary of the Suffern Class, Gerald Reynolds, Treasurer of the Sunnysiders, and Mr. Garn who conducted a class of fifty young lawyers in Madison Street, New York.

United States Senator Copeland, friend and neighbor of Mr. Fairchild, talked to us. "History," said he, "is filled with a series of revivals. Henry George developed a philosophy which has survived all these years. I am wondering if this may not be the beginning of a new revival. We need to revise our present tax system—we need a simpler plan which will solve the problems of our people, not tax laws which need a Philadelphia lawyer to figure out."

Diplomas were distributed to the graduating students by Mrs. Copeland. A rousing burst of applause greeted the announcement that a graduating student of the Teachers Training Class of Sunnyside was none other than our host—Mr. Walter Fairchild.

With the reading of a poem composed by Mr. Garn, the meeting came to a close.

The only casualty reported involved three unlucky Georgeists whose maritime skill proved inadequate when

it came to piloting the Fairchild raft on the treacherous Mahwah. At the time LAND AND FREEDOM goes to press, we are still uncertain how our wet friends made the journey back to town.

Washington Letter

THE twenty-sixth annual gathering of Single Taxers was held on Sunday, June 6, at the home of Mrs. Jessie Lane Keeley in Riverdale, Maryland, with about forty present.

Following the usual generous basket luncheon, the friends assembled in the living room, with the overflow on the piazza by the windows.

Mrs. Helene H. McEvoy as presiding officer, announced that at a meeting of the executive committee of the Woman's Single Tax Club, it had been voted to take steps toward a tentative effort to bring to life the National Woman's Single Tax League of somewhat more than a quarter of a century ago, the object of which step will be to help hold together and coordinate the activities of the hundreds of young women who are being graduated from the Henry George classes all over the country each year. Clarence Darrow was quoted as declaring that 94 per cent of crimes are committed as a result of poverty, and if Single Taxers could abolish this root evil, we should be doing a good work for the human race.

Messages of regret at their inability to be present were sent by Representatives Eckert and Bigelow, who had been called out of the city, and by Mrs. Alice Thacher Post, who was not well enough to come. Mr. Western Starr was reported as being in the hospital, and Mrs. Marie H. Heath is spending about a fortnight with her daughters in Winchester, Virginia, following a serious operation on her eye.

The programmes at these annual gatherings are always informal, with impromptu talks by the members, which usually bring up animated discussions after adjournment.

Mr. Walter I. Swanton called attention to an article by John Lear, Associated Press Staff writer, in the *Washington Post* of Sunday, May 23, entitled "Awakened Single Taxers to Face Test in 1938," which article he understood had been run in some 1,200 or more papers throughout the country. Reference was also made to President Roosevelt's efforts to prevent land speculation in the 1,200,000 acres in the region of the Coulee Dam. The civil war in Spain has its roots in the land question, Mr. Swanton declared, and distributed notices of a meeting of the Friends of Spanish Democracy to be held the following Tuesday, and also copies of Herbert S. Bigelow's bill HR 6872 "to provide in the District of Columbia, for the gradual abolition of the taxation of improvements upon land."

Mr. Francis J. Mooney of Baltimore, Maryland, declared one of Henry George's greatest statements to be that "nothing is property except that which is made by labor." And what is not made by man, must be made by God. Yet this annual profit on Nature amounts to something over \$20,000,000,000 per year and our object is to try to get rid of this handicap on labor. The way to bring about world peace is to give everybody an opportunity, but governments stand in the way of this. Thomas Jefferson said, "That government is best which governs least" and that "The earth belongs to the living." We ought to have a national organization, with headquarters in Washington, D. C., announcing our one object to be the abolition of monopoly, and ask all those who are in sympathy with this, to join us; then, after discussing tariff monopoly, patent monopoly, etc., we should show land monopoly to be the worst evil of all, and the remedy. Wayne B. Wheeler's tactics in the prohibition movement were cited as furnishing a good example for other organizations to follow.

Dr. Morton G. Lloyd called attention to the work of the People's Lobby, whose monthly luncheon programmes are broadcast over a coast-to-coast hook-up, and said that their principles were similar to those of the organization suggested by Mr. Mooney.

Mr. Joseph Danziger paid tribute to the heroism of Colonel H. Martin Williams, who had not hesitated to raise his voice in protest against our entrance into the World War in 1917, which fearless courage had led to the loss of his position as Reading Clerk of the House of Representatives.

Mr. John F. Du Comb compared the simplicity and accuracy in the matter of assessment and collection of a land-value tax, with our present combersome and expensive method which places a premium on dishonesty.

Mrs. Elizabeth M. Phillips told of her latest game, which she regards as an improvement on the principles which formed the basis of her "Monopoly" and "Landlord" games, and after the completion of this latest game, she hopes to resume the teaching of a Henry George class.

Mr. A. L. Colton said that the one phrase which had had the most influence in making him see the light, was that about "taking community value for the use of the community which produced it." The two pamphlets which he regarded as being the best for lending to friends whom he wanted to help "see the cat," are "The Story of My Dictatorship" and "Plain Talk on Taxation." The situation developing between capital and labor reminded him, he said, of the old question as to what would happen when an irresistible force meets an immovable object.

Mr. Henry W. Selah expressed approval of the principle of the land value tax, including the five billion dollars' worth of property held by the churches, but he believed that other taxes should also be included, as he doubted that the former alone would be sufficient to run the government, which objection was answered by Mr. Mooney with facts and figures to show that this revenue would more than meet the demand, if administered without waste.

Mr. Cyrus E. Cook, a graduate of the District Henry George class, declared himself in favor of a national headquarters in Washington. He believed in neighborhood gatherings at which members would bring in new friends and encourage free discussion and the answering of questions regarding the Single Tax, or objections that might be raised to it.

Among those who spoke briefly were Mrs. Minnie L. White, Mrs. Miriam M. Goodwin, Mrs. Jennie Knight, and Mrs. Joseph Danziger.

After a rising vote of thanks to our hostess for her generous hospitality not only on this occasion but for the preceding quarter of a century, the meeting adjourned, but the discussion was still going strong when this scribe left the scene at nearly six o'clock.

GERTRUDE E. MACKENZIE.

The California Campaign

SINCE last reporting to your readers I have to note a decided improvement in the California situation. The legislature has adjourned. In the matter of the sales tax, its various positions were negative and will work to make the tax more odious than ever. While the lower house voted to reduce the tax and also to take the tax off foodstuffs sold in restaurants, the Senate took the opposite position and both propositions were rejected by a large majority. The truth must be recognized that in practically every state in the Union popular government is nullified to a great extent, because the country rules the city as to the Senate, and in no state is this more decidedly so than in California.

Thus we have to thank the enemies of our movement for resisting the slightest move to relieve the people from the payment of an odious tax and making them the more ready to accept our way out.

However, everything the legislature did was not without its value. You will recall probably all too vividly that last year by an artificial construction of the subtitle of our petitions for the initiative ("captious and hypercritical," said the dissenting judge), the Supreme Court prevented our measure for the relief of the people from remaining on the ballot. This cannot again occur. An act which passed the legislature and was signed by the Governor provided that, instead of a subtitle in twenty words supplied at their peril by the advocates of a measure, every page bearing signatures shall have at its head only a repetition of the summary made by the Attorney General and which appears on the first page. This was the simple and natural thing to do and should have been that required by law in the first place.

In addition by another act if the proponents of a measure are not satisfied with the Attorney General's summary, they can at once appeal to one of the district courts of appeal and have his action corrected. It is therefore to be expected that the Attorney General will at all times play fair.

Thus the ground work has been laid for the future. Now as to the amendment for which we are mainly indebted to Clarence E. Todd, of San Francisco. For several months a good sized group has been meeting usually once a week to thrash over the form the new amendment shall take and to guard it at every point. In addition we have carried on very considerable correspondence over this subject-matter with people all over the state and in other states. We have now reached a point where we can speak of the approximate results, although much we have done will have to be reviewed by various legislative counsel and others whose advice will be sought.

We may say that the essentials of the prior proposition will be preserved. All budgets and appropriations in California are arranged according to the biennium period, and the sales tax will be abolished at the end of the biennium which will close about eight months after the election or June 30, 1939.

Bearing in mind again the biennium, all taxes on improvements and tangible personal property will be abolished as to state taxation at the end of eight years or four bienniums, and all such local taxation within a year later. The progression will be made by a reduced rate on improvements and tangible personal property of 20 per cent per biennium or 10 per cent per annum as compared with the rate on land values if taxes are levied annually, as they are locally.

There are a number of other provisions, as for instance, forbidding assessing officers from raising the value placed on improvements, preventing tax moratoriums except as to homesteads, granting immediate exemption of \$1,000 in value for homesteads, permitting continuance of taxa-

tion as now when required by contract obligations, expressly not interfering with any taxation not directly involved in our proposal, etc.

Of course we cannot speak of the impression which the new initiative will make upon the public mind. My own feeling is that we have more than a splendid chance for success. The sales tax is as much of a nuisance or even more than it has been in the past. People are inquiring how it happens that with advancing wages the costs of living grow more rapidly, and we can furnish the plain answer.—JACKSON H. RALSTON.

BOOK REVIEWS

HOW SHALL BUSINESS BE TAXED?

(Published by the Tax Policy League, N. Y. City. 12mo. 175 pages. Cloth, price \$2.50)

This is the title of a work in the making of which have gone many hands, eminent professors from the universities and teachers of economics, all "experts" on the subject.

We have made little progress in the theory of taxation since Hobbes—(we think it was Hobbes) who advocated heavy taxation on production because it would spur the "victim" to greater effort and thus increase the sum total of wealth. Little importance would be laid on this theory of Hobbes by any of the present day authorities on taxation. It seems to be accepted generally today that taxation is an evil, but a necessary evil and inescapable.

Throughout these discussions there are no principles which have obtained or are likely to obtain any general agreement. It is all a hideous mess. We quote from one of the contributors to this volume, Noel Sargent, Secretary of the National Association of Manufacturers, who says, "When the imposition of a relatively inequitable tax is necessary (?) the inequities may be corrected by a proper balancing of the tax system as a whole."

That is to say: The whole can be made by some legerdemain more equitable than its parts!

Mr. Sargent says: "It is our belief that both income and sales taxes can be combined in a sound taxing system." And he advocates a general manufacturing sales tax. This should be welcome news to those engaged in manufacturing. A special tax of this sort adding to the cost of manufacture and reducing the sales of the articles will hardly find favor in the organization which Mr. Sargent misrepresents.

In the contribution of Prof. Groves of the Economics Department of the University of Wisconsin, we come to the following gem: "Ability to pay, however, is mainly a personal idea which cannot very plausibly be associated with a distinctly impersonal association like a corporation."

Here we have another instance of a combination resulting in a strange modification of its associated parts, where the less is greater than the whole, or when you take from two or three or a thousand you somehow avoid the mulcting of the individual. Can you beat it?

This confusion is inevitable in defending a process of "taxation by seizure." The moral objection to taxation in accordance with ability to pay, which is accepted by these writers—the John Dillinger method—leads to more than one difficulty. If there are no principles to be considered the way is open for a variety of blundering into a number of holes.

Professor Groves says: "It is probably impossible and perhaps inadvisable to use taxation as a means of preventing monopoly, but it may be used to recapture monopoly gains. This is the reason why

we should seek to develop genuine excess profits tax in our taxing system."

What are excess profits and who and what should determine them is a problem which we prefer to leave to Prof. Groves.

Through some of these contributions there runs the notion that big business is detrimental. Ray Blougham, Associate Professor of Economics in the University of Cincinnati, says: "Much evidence exists of the danger of the economic power of large corporations."

May we inquire if it is the largeness of these corporations that constitutes their influence for evil, or the possession of monopolistic powers shared by big and little? And just at what point does the small business become possessed of the evils of big business? In other words, how big is big?

That we are involved in strange mathematical contortions that make the less equal to the greater follows from the abandonment of principles.

Ellsworth C. Alvord, lawyer, says: "I also readily admit that given principles agreed upon today might be inapplicable tomorrow." Suppose a chemist or astronomer should reason this way—where would they arrive? Nowhere, the reader will agree. The only science that according to its teachers has no principles is political economy. Yet we pay its professors for expert advice. Is it any wonder we get nowhere. Yet after denying that there is any principle which may not be changed from one year to the next, Mr. Alvord has the temerity to suggest certain principles. But he does show rather successfully the conflicting nature of taxing practices. The article by Mr. Alvord, the longest in the book, is for this reason worth reading.

But why go further? There is little in the book that is contributory to our knowledge. This is because the subject treated is unscientific in itself. You cannot take a subject which has no scientific base and discuss it in terms of science. There is no justification for taxation. It is taking by seizure, and every method of doing this is objectionable. Some methods seem more objectionable than others, some a trifle more brutal, but all are inequitable. For there is a provision in society for all social needs. None of these writers seems to be conscious of the fact. So none of them offers an alternative to taxation. Has any one of them ever read "Progress and Poverty?"

It is, as we have said, an unconscionable mess. Alfred G. Buehler, Professor of Economics in the University of Vermont, has summed it up. He says, "There is no real system of business taxation; there is only a hodge podge of taxes imposed by independent jurisdictions without regard for the practice of other governments." (Divisional jurisdictions.)

A useful bibliography of books on business taxation is an appendix to the work.

JOSEPH DANA MILLER.

PAMPHLETS RECEIVED

WE have received from Arthur Madsen of *Land and Liberty* of London the Report of the United Committee for 1936. This covers the activities of the Henry George Foundation of Great Britain, the International Union for Land Value Taxation and Free Trade and the Henry George School of Great Britain and Ireland. It lists a large number of periodicals in which advertisements of our principles have appeared. These publications comprise a total circulation of over 5,000,000.

ANOTHER welcome booklet published at one shilling is the *Social Science Manual* used by the Henry George School of Great Britain and prepared by F. C. R. Douglass, M.A. It follows the general plan and scope of the *Teachers Manual* of the New York School but contains considerable new matter written with the thoroughness and scholarship that characterize everything that comes from the pen

of Mr. Douglass. A short biography of Henry George with mention of the books he wrote comprises part of the British manual as does also a separate chapter on Interest which indicates the divergent views of the followers of Henry George on the Interest question. In this connection Mr. Douglass says: "Whatever views on these points may be they cannot affect the main argument by which Henry George discovers the causes of poverty and plenty." This British Manual fitly supplements the teachers training course followed in the New York School to which acknowledgment is made, though the British Manual is based, as we have indicated, on a wholly independent elucidation of the text book, which of course is "Progress and Poverty."

Correspondence

THE OPPORTUNE TIME

EDITOR LAND AND FREEDOM:

The socio-economic outlook of the whole world has radically changed during the last few years. The people are in a more receptive mood than they used to be. They are developing a keener attitude toward the really important things of life.

I believe that the next year, or the next few years, will witness many important changes,—perhaps, for the better. Even now there is marked evidence that the people are beginning to think constructively and independently. The many significant facts, both in our own country and in Europe, indicate that the people the world over are at least striving for something better. But they must be educated in Henry George's philosophy before they can make any real and permanent progress.

Now is the opportune time for Single Taxers, or Georgeists, to get together and launch a real campaign of education.

It would be better, of course, if we could all unite upon some one programme or course of action. But the main thing is action. Whether we teach school, or write letters, or deliver radio addresses, let us do something.

To paraphrase Henry George:

"Let no (Single Taxer) whoever he may be and wherever he may be placed, imagine that he has no influence.

"The (Single Taxer) who thinks (and does something) becomes a light and a power!"

Pittsburgh, Pa.

JOHN C. ROSE.

DIFFERS WITH C. H. KENDAL

EDITOR LAND AND FREEDOM:

Mr. C. H. Kendal's letter on interest in your May-June issue appears to me to have been the result of some sort of a telepathic divination on his part, for he has presented an excellent example of just the thing I warned against in my article. Mere assertions and appeals to ethics do not prove interest. This fact must first be realized before we can hope to solve such a problem. Mr. Kendal's position on this question is typical of the confusion that invariably attends discussions on interest, for he has offered two entirely different theories to account for the phenomenon of interest—the Productivity theory and the Use theory.

He gives us an illustration in which five men with capital, group A, can produce 40x per man, and five men without capital, group B, can produce only 10x per man. The excess of 30x he declares is interest, but not the slightest proof is offered to support this assertion. In the absence of such proof, it may be stated with equal assurance that the entire 40x is wages. Failing to perceive the relationship between value and interest, he overlooks the fact that in order to prove interest, it must be shown that the 40x less the replacement value of the capital possesses more value than the 10x. We must keep in mind that interest, in the economic sense, is considered to be the increase that accrues, not to any particular capital, but to generic capital. In this matter, we are not concerned with capital

as a physical concept but as a value concept. Therefore, we cannot regard interest so much as a quantity of goods as an increase in value. As a matter of fact, in the very next paragraph Mr. Kendal admits that the entire product of 40x less "the mortality of the capital" is wages, indicating either that he does not after all consider 30x as interest or that he identifies interest with wages. He is correct in drawing a distinction between quantity or natural interest and the rate of interest, but because he has not proved interest, he is unable to show any direct relation between the two in his next illustration.

He assumes now that both groups of labor use capital so that each man receives 40x, and there being no borrowing demand and no lending supply, the rate of interest is zero. But one man becomes ill and cannot use his tool (capital). The supply of capital exceeding the demand, the rate is still zero. Another man, however, breaks his tool. He can either make a new tool or borrow that belonging to the sick man. Now there is a lender and a borrower, and here Mr. Kendal comes up against an obstacle, for he is unable to determine what the borrower will pay the lender. He will not pay 30x, the excess over what he could obtain if he used no tool, nor in fact any part of it, for he is free to make his own tool and obtain the entire 30x for himself. Realizing, therefore, that he cannot show what the borrower will pay by attributing interest to the productivity of capital, Mr. Kendal shifts his allegiance from the Productivity theory to the Use theory. But here he falls up against another obstacle because he is unable to give any economic reason whatsoever why the borrower will pay interest for the use of the tool. Consequently, he appeals to the moral element—with which economic science is not concerned—with this statement: "... *equity* demands compensation for its use (legally enjoyment in time), plus 'capital write-offs,' viz., mortality items—wear and tear, etc. A free lending would be charity, not equity." Nor does he attempt to justify these moral assertions. On the contrary, it may be asserted with equal assurance that equity demands no such thing, for even though the sick man received no interest on his capital, he would gain by lending. His tool suffers from natural deterioration, and if he did not lend it, he would receive no compensation for this deterioration. Thus, it is to his advantage to lend even though he received no extra payment as interest, for he would be fully compensated by receiving payment for the deterioration plus wear and tear. Can equity demand more than this? Apparently Mr. Kendal assumes that two kinds of uses attach to the loan of capital, but the use of capital is the same thing as its consumption, and the compensation for this use is not interest but either another tool equally as good or a sum equivalent to its replacement value. (See the discussion of the Use theory in my article in the May-June issue.)

If there is such a thing as interest, then when the supply of capital is just sufficient to satisfy the demand, a payment of interest should pass from the borrower to the lender. But in the illustration given here, it is not proved that any such payment is due. Therefore, it is meaningless to say that the supply and demand of capital determines the rate of interest. If there is a shortage of capital—that is, the demand exceeds the supply—the borrower may have to pay a premium in order to obtain capital, but this is not interest. However, the tendency is for the supply of capital to increase in proportion to the demand, and so this premium would be paid only in exceptional cases. Now, the question might be properly asked: Why does one borrow capital? Surely, it is not in order to obtain the power which resides in it to increase one's efficiency, because one is free to accumulate or to produce capital himself. Therefore, one borrows for the sake of convenience, but any payment for this is not interest. The lender, however, requires compensation for the risk involved in the employment of his capital and demands a payment in proportion to the risk. But this is merely an equalization of profits and losses—an element of business cost and not an economic concept—and disappears when production in the aggregate is considered. It may

be called commercial interest but is not economic interest, because the latter is regarded as an addition to the sum total of wealth.

Mr. Kendal's concluding statement is very curious, inasmuch as the latter part of it seems to contradict the first part; and because it suggests a serious lack of harmony between the moral law and economic laws, it leads one to suspect that he has not been discussing interest at all, but something else. I quote; "Under equitable conditions interest is inevitable and while under such conditions equity would demand a rate of interest on borrowings, the supply of capital would be such that, in all probability, the rate would approximate zero."

Although he has claimed that interest is natural and just, in effect he is saying here that under equitable conditions, the capitalist would receive little or no interest for the loan of his capital. This implies then that today the income of the capitalist as such is the product of inequitable conditions, and that loan interest, rather than being in any way connected with quantity interest, is due to an unnatural restriction of the supply of capital—a monopoly payment forced from labor, in other words—and that, therefore, it is both unnatural and unjust—an admission that should gladden the heart of any socialist. But if there is such a thing as interest, and if it is just, then under equitable conditions, the rate should be higher than it is now, for while the supply of capital would be greater, the demand for it would also be greater.

All of this is evidence of the difficulties one gets into when he tries to locate something that does not exist. The very nature of capital precludes the attributing of the phenomenon that is called interest to any absolute cause.

Brooklyn, N. Y.

RAYMOND V. McNALLY.

THOMAS N. ASHTON REPLIES TO JOSEPH R. CARROLL

EDITOR LAND AND FREEDOM:

Your correspondent, Joseph R. Carroll, is very generous in his approbation of my humble efforts in attempting to be of service along the pathway of our pilgrimage. His approval is more than my due, and his disapproval is very kindly restrained.

Prior to entering law school I entertained the commonly-held opinion in regard to the supposedly mental-superiority of the law profession. I regarded our judicial branch of government as the one last bulwark against all encroachments upon life, liberty and opportunity. It was my opinion that justice always could be obtained in our courts of law. After employing good, bad and indifferent attorneys I began to wonder what "law" is all about. Fortunately—or unfortunately, as the case may be—while in law school I saw law books, law professors, courts, judges and decisions through the eyes of a civil engineer and student of "Progress and Poverty."

With this background it was impossible for me to accept a multitude of judicial opinions merely because austere, honest judges had handed down the decisions.

Four full years at law school—added to six years of intermittent research into the history and records of law—added to four years as a member of the House under lawyer-leadership in the Massachusetts legislature—has left me with a fairly comprehensive collection of facts concerning the power, the authority and the influence of the law-trained mind over the poverty-stricken masses. In truth, my accumulations of divergent data include enough material for an oversized volume which, if published for and perused by the public, would cause the extinction of the profession of law, and this result would come about without the slightest reference to the mooted and booted subject of the alleged dishonesty of lawyers. They are as honest as anyone could be under the circumstances. I have been concerned only with the competency, power and authority of the profession.

Our nation is governed by legislative act effected through the executive and judicial branches of government. I have yet to learn of a legislature, national or state, which is not controlled by the legal

faction. Every petition for legislation must submit to the scrutiny of House or Senate attorneys. Chairmanships of legislative committees, in my time, were largely under lawyer-leadership. The Committee on Bills in the Third Reading—where final form, phraseology and principles are set up—likewise was under lawyer-control. The very powerful Committee on Rules was almost entirely composed of law-trained minds. The largest single faction, in either House or Senate, was that of law.

Times without number I have seen the lay-members of the legislature blindly follow the law-trained orators through parliamentary debate, even when a farmer-legislator or a factory-employee legislator had much more horse-sense to expound.

The influence and prestige of the law profession cannot be completely comprehended except by extended research and observation. In fact, this fraternity has been vastly more powerful than that of medicine or any other so-called profession among the ostensibly learned men who profess to guide the Ship of State. This power, added to the authority which legislative control gives to it, renders the lawyer-group the makers or breakers of society.

As between educated and uneducated peoples, the Duke of Argyll succinctly has covered the matters of responsibility for social peace or chaos:

"If the upper classes, with all the advantages of leisure, and of culture, and of learning, have been so unable, as we have seen them to be, to measure the effect of the laws they made, how much more must we expect errors and misconceptions of the most grievous kind to beset the action of those who—through poverty and ignorance and often through much suffering—have been able to do little more than strike blindly against evils whose pressure they feel, but whose root and remedy they could neither see nor understand."

I have yet to read of a profession, or trade, which lauds itself, impersonally, as often, as unblushingly and as naively as does that of law. Its convention speeches and literary efforts present a refreshing brand of conceit.

At their own behest, our lawyers have gone into politics early in practice and have assumed civic leadership, the captaincy of the Ship of State, both local and national. Upon the captain of the ship falls full power and authority for good or evil regardless of this assumed or real worth. Upon him depends the course to be followed.

My numerous years of inquiry, into the subject and field of law, has been without concern for individuals—among whom are many Single Taxers, which fact is proof enough of their sterling worth and unusual abilities for comprehending.

Not long ago the voice of Senator Borah rang out on the night air: "Congress does not know how to solve the economic problems. We are groping in confusion and delving hopelessly in the field of economics and legislation, seeking a way out of this catastrophic ordeal."

Premier David Lloyd George, whilst frantically imploring the engineers safely to push Great Britain through the World War, confessed that his profession (the law) is "The strictest and most jealous trades union in the world."

Congress is composed 60 per cent of lawyers.

Macaulay, Bacon, Kant, St. German, Swift, Quincy, Adams, Jefferson, Carlyle, Myers and Lincoln are but a very few of those who long ago paused to point out the futile activities of our civic leader, the profession of law—the profession which holds in the hollow of its hand the captaincy of the Ship of State and the welfare of humanity.

As pointed out by Mr. Carroll, the masses very likely would strongly oppose economic reforms, because of the fact that a drowning man has no more sense than to fight his rescuer. When, moreover, the law-profession life-saver has made so many futile "rescues" from the economic seas during the past several centuries, it is now not unnatural for the ignorant mob to take the helm under the name of C. I. O.

Education in general—legal education in particular—is being hoisted by its own petard, and society is caught in the maelstrom.

"If the conclusions that we reach runs counter to our prejudices, let us not flinch; if they challenge institutions that have long been deemed wise and natural, let us not turn back."—GEORGE.

THOMAS N. ASHTON.

THINKS McNALLY INCONCLUSIVE

EDITOR LAND AND FREEDOM:

The article, "What is Interest?" by Raymond V. McNally in your May-June issue is to say the least inconclusive, if not contradictory and altogether unsatisfactory.

I am not impressed with the question, "Is it not significant that while there is a general agreement among economists on the law of rent, there is none on the question of interest?" It seems to me that in the first place, Adam Smith and Henry George alone are worthy to be dignified by the name economists; and second, that the only thing the other so-called professional economists have agreed on is the determination to so befog the science as to try to prevent all people from seeing that they are being robbed of their rent by the landlord.

In the fifth paragraph Mr. McNally says, "During all this time, however, in spite of ecclesiastical denunciation and civil laws, the phenomenon of interest persisted in industrial life, because it was a natural part of the economic organism and could not be abolished by men." Now the scientific definition of the word phenomenon is "a fact of knowledge." Therefore, by Mr. McNally's own statement "Interest" is a fact of knowledge and "a natural part of the economic organism" and beyond the power of man to abolish. To me this is a very strong statement as to interest being a definite and important factor in the natural laws of the natural science of Political Economy and one with which I agree entirely. But in the last sentence of his article Mr. McNally says, "The burden of proving that there is such a thing as interest in the economic sense, therefore, and that it is unjust, rests entirely with the Marxist and other opponents of interest." If language means anything then this last sentence would indicate that Mr. McNally denies "that there is any such thing as interest in the economic sense" and defies Marxists and other opponents to prove that there is and that it is unjust. Now a thing that does not exist can not be unjust nor be anything. Also "a phenomenon that persists because it is a natural part of the economic organism beyond the power of man to abolish" must be a very definite natural economic fact that has been proven to exist already, and it can not be unjust because Nature is supreme and there is no appeal from her so far as man is concerned.

Now whether we know what interest is or not does in no way cast any doubt, in itself, on the fact of its existence. No one knows what either magnetism or electricity is and yet both are phenomena which we make use of very effectively.

To my mind Henry George very clearly and satisfactorily established the laws of rent, wages and interest, defined them as well as land, labor, capital and wealth and demonstrated that Political Economy is a natural science as exact as any. L. D. Beckwith of Stockton, Calif. has very ably supplemented and clarified George's work.

Also capital and its derivative interest are very important factors in political economy. Without capital (labor saving implements, tools and machinery of all kinds) men, women and children would be condemned to hopeless labor and poverty, there could be no time for the arts and sciences, and civilization would be impossible.

I can not see what all the shooting is about as to capital and interest among true Georgeists, anyway.

The socialist type of mind is not worth wasting time over, as it seems incapable of clear thinking.

Chestnut Hill, Mass.

EDMUND J. BURKE.

RENT IN PRICE

EDITOR LAND AND FREEDOM:

Two apparently inconsistent facts are quite generally accepted as obviously true: First, that all Rent must be included in the determining of cost; second, that no rent (as such) is included in the determining of price.

And there is nothing really paradoxical in accepting the "second"

fact in connection with the "first"; because price is determined by actual costs on free marginal (no-rent) land, where *there is no rent cost to include* though other costs are relatively high. In fact the rent costs which come in only on better sites, simply make the total costs there equal the marginal (no rent) costs and the seemingly inconsistent facts are actually in full accord. Marginal costs determine price everywhere; the advantages of better sites determine the equalizing rent cost.

But it must be borne in mind that this "second" fact ("that no rent is included in the determining of price") does not tell the whole truth. As to the "first" fact ("that all rent must be included in the determining of cost"), it does not matter whether this rent goes to private owners or to government, for it must in any case be included in costs; but it does very much matter *where this rent goes to* in the determining of *total costs and price*. For if this rent does not go to government (as it now does not) then government must raise that amount of revenue otherwise; and the whole amount so raised *must be added* to costs all along the line,—including the marginal costs which determine price. This addition does not appear as rent but as "taxes" (*substituted for diverted rent* which has already been included in costs).

Notwithstanding the obvious fact that rent cannot directly enter into price at the price-fixing margin where there is no rent, it is true that such a bald statement of the law is a misleading "half-truth." For it ignores the further fact that rent can (and now does) indirectly enter into costs and price everywhere—*when it is diverted from government uses*; its entering being in the form of substituted taxes fully equalling the diverted rent and further raising costs and prices everywhere as Mr. Jorgensen mainly contends. It is important to know that Single Tax will reduce costs and prices everywhere by fully appropriating rent to public use and so cutting off these substituted taxes on production from marginal as well as other costs.

Reading, Pa.

WALTER G. STEWART.

THE TIME ELEMENT IN INTEREST

EDITOR LAND AND FREEDOM:

In the last issue of LAND AND FREEDOM our fellow Georgist, Raymond V. McNally, completely disposed of numerous theories dealing with the cause of interest. His arguments are unanswerable. It is to be regretted that even Henry George with all his ability to analyze should set up a theory regarding the cause of interest that is no more tenable than the ones he so successfully demolished. His interest theory is the one weak link in his great book, "Progress and Poverty." Mr. McNally has very ably disposed of this theory.

On the other hand I am not so sure that there is not a law of interest. Neither am I convinced by Mr. McNally's argument that what we term interest is merely "compensation for risk." If what we term interest is merely compensation for risk, then it occurs to me that under existing conditions interest rates would be much higher than they are, as the element of risk has steadily increased since the last industrial breakdown. Instead of going up as the element of risk has increased they have fallen, which only proves Mr. George's contention that wages and interest tend to rise and fall together. Surely no one will contend that investments are more secure now than they were during the years preceding the depression and that this accounts for the present lower interest rates. As a matter of fact investments are not nearly as secure, not even investments in government bonds, yet the interest rate is lower. If Mr. McNally is right they should be higher.

While it is true that part of the commercial interest rate consists of insurance to cover risk, I am convinced that in addition to this there is true interest, which is payment for the use of capital.

Despite the fact that Mr. McNally has upset the Bohm-Bawerk time theory as a cause of interest, I am still persuaded that the element of time does account for interest. Even Mr. George saw this dimly but confused it with his "reproductive forces of nature" theory. Time is a most important factor in the satisfying of human wants. A saving in time in the satisfaction of human desires is equivalent

to greater earnings. We want things now and not ten to twenty years hence. This being the case we are willing to pay a premium for the use of capital or wealth, so as to more quickly satisfy our wants. Thus interest arises. I want a home, I can secure one by going to work over a period of years, but I want it now, hence I am willing to pay some owner of a home a premium for the use of it over and above the cost of depreciation and insurance to cover risk, and this premium is interest. It is quite obvious that as long as people feel that they are obtaining an advantage by borrowing, they will be willing to pay for this advantage. Interest therefore is natural and it is just. It is a reward for accumulation. It gives encouragement to store up capital in excess of personal needs. If it is natural, then it can be said that there is a law of interest.

Spokane, Washington.

D. L. THOMPSON.

THE PITTSBURGH PLAN

EDITOR LAND AND FREEDOM:

I notice in the May-June, 1937, issue of LAND AND FREEDOM, article by Mr. Lawson Purdy on the subject of the assessment of land. In this article, Mr. Purdy notes the obvious fact that an increase of the rate of taxation on land values causes a reduction in the selling price of land. As Mr. Purdy expresses it, "our tax base will shrink as the tax rate increases."

I enclose a study made by this project entitled, "Practical Application of the Pennsylvania Graded Tax Plan." In this study we call attention to the effect of a land tax rate upon the base of taxation and recommend that the tax department shall assess land at its full economic value and then apply the increased tax rate to that base.

In Pittsburgh, it has been noted that the decrease of the rate of building tax to one half that on land has not brought the result which was popularly expected.

Although the tax rate on land is twice that on buildings, the amount collected from the land has not been doubled. There are three reasons for this: First, mathematically, assuming land value and improvement value to be approximately equal in amount, the reduction on buildings to one-half the tax on land has the result of reducing the tax burden on buildings to one-third of the total tax; second, reduction in the selling price of land which is used as the land tax base; third, an increase in the value of buildings and improvements due to the encouragement to improvers to build more and better buildings.

A form of graded tax law is in preparation which will correct the difficulty to which Mr. Purdy calls attention.

N. Y. City.

WALTER FAIRCHILD.

WHAT IS INTEREST?

EDITOR LAND AND FREEDOM:

In your May-June issue appeared a long article by Raymond V. McNally with the above caption. It shows much reading and thought, but is more clear in proving what interest is not than what it is. His conclusion seems to be that interest is "very likely nothing else but compensation for risk." That risk has much to do with the rate of interest I heartily agree, but I also believe that there is a fundamental reason for interest which Mr. McNally has not made clear.

The primary cause of interest is the service rendered by the lender to the borrower, which enables the latter to overcome the disutility of time. For example—A has land but little money. By working for a year he could accumulate money enough to cultivate his farm, but in the meantime the land would lie idle. He knows that B has capital and persuades B to lend him \$500 for one year at 6 per cent. With this A purchases the necessary stock, seed and tools and then plants and tills his land. Within the twelve month's period he sells the produce of his farm for \$1,000. He pays B principal and interest (\$530) and finds himself the possessor of a stock of tools and several hundred dollars in cash. Both A and B are benefited—A by the use of his own labor and land to advantage; and B by the interest added to his principal. Moreover the community is benefited by the increased production of food.

It is true that A might have had a bad season and could not have done so well; but the above shows that B rendered a service to A and that I claim is the true cause of interest.

In reflecting upon the interesting letter of C. H. Kendal (Interest and the Rate of Interest) in the same issue, I can agree with him only in part. He says, "There is but one interest, and that is the increase which labor produces when it uses capital, over the same labor not using capital." This I believe to be untrue. It gives the idea that all of said increase is interest, which manifestly is not so. Of what aid would it be to the borrower if all the gain be obtained from the use of borrowed capital be paid to the lender in the form of interest? The advantage to the borrower would be nil. On the contrary I contend that all the gain obtained by the borrower, from the use of capital, is his own; being the result of his labor, although that labor be amplified by the use of borrowed capital. The sum he pays as interest may or may not come out of his gains from the use of said capital. His plans may go awry, but he will still be obligated for interest due.

No! Interest is payment for service rendered to the borrower by the lender—that service enabling the borrower to overcome the disutility of time.

As to the rate of interest, I agree with him that this depends upon supply and demand. Moreover the element of risk enters into the equation. A lender who would not be willing to accept 5 per cent might be persuaded to take 6 per cent, even though the risk be greater. The rate of interest however is not the matter of chief importance; the primary cause of interest is the main thing, and that is the service rendered the borrower by the lender—at least that is my contention. New Haven, Conn.

HENRY P. SAGE.

MR. KENDAL FURTHER ELUCIDATES

EDITOR LAND AND FREEDOM:

My letter on Interest in your May-June issue caused some comments, and a supplementary letter may be in order.

In economics, capital is always something tangible. Money, stocks, bonds, notes are neither wealth nor capital. They are tokens, receipts, credits, evidences of wealth or of ownership. The term Labor in its economic sense includes all human effort (brain and brawn) used in production and its return to labor is wages.

Capital is the *assistant* factor only and when used by Labor the product is thereby increased and the gross result is wages. That increase of wages obtained from the use of Capital is interest. Capital of itself is dead, useless until it is utilized by Labor. It then partakes of the properties of the lever and with a given effort raises the productivity of labor.

When capital is borrowed, the lender transfers the "tool" temporarily. For this temporary loss of use and or enjoyment he receives interest. However he can collect only that part of interest for which he has relinquished the above equivalent, but he cannot collect in equity any part of the net increase of production which is the result of the labor of the borrower when using the borrowed capital. This net increase which labor may obtain furnishes the incentive for the borrowing of capital, viz., causes demand and increased or decreased demand causes interest rates to rise or fall according to the quantity supply. A low interest rate is not necessarily a desirable thing. The objective is that labor shall produce exchangeable things for consumption and the supply of wealth, diverted to use as capital, should never exceed the efficiency point. A normal quantity of capital used all the time at an adequate rate is preferable to an excessive quantity at a lower rate and idle part time. Over the years there is an increasing demand for both consumers goods and capital goods but the law governing their *varying* proportions is not a part of the present subject.

Summit, N. J.

C. H. KENDAL.

IN RETROSPECT

EDITOR LAND AND FREEDOM:

In placing my order for the "Life of Father McGlynn," may I be permitted a few words in retrospect?

When George and McGlynn were working in the Anti-poverty Society the spirit of the crusade was felt outside New York, perhaps in many lands, and grandchildren of those inspired are now taking their places in the ranks of the workers.

In a Delaware farm home William and Mary Brothers eagerly awaited every issue of the *Standard*. Each issue was read aloud to the assembled family. My father and mother, the two brothers Al and Joe, have all been laid to rest, but the seed that was sown was not all wasted.

Father had been a cabinet maker and in his best workmanship he made a box in which he carried George's works and such tracts as "The Case Plainly Stated," "What It Is and Why We Urge It," etc. The box when opened displayed George's picture surrounded by his works. Each Saturday afternoon father went to Dover where he set up his box and talked Single Tax, selling or loaning books and giving tracts. Not until near the end of the second year did he ever meet a soul who knew anything about the movement, except those he had interested. Then a man from Rochester gave him encouragement. Not that he needed it. But it does help as I so often realize when the LAND AND FREEDOM comes. So often people write as though the progress has been slow. Has it really? What is half a century in the history of mankind? And what have I seen in my own life time?

Not one but many of the people then interested have grandchildren teaching in the Henry George Schools. Names change and one does not recognize, for instance, that Henry George Gieser, teacher of a class in Cincinnati, is a grandson of that William and Mary Brothers who so earnestly worked so long with George, and great-grandson of Thomas Brothers who published a newspaper in Philadelphia within a stone's throw of George's birth place and at the time of his birth.

When I pick up one of grandfather's books, "The Rights and Wrongs of the Poor," or his "Radical Reformer," it seems inevitable that we should be Single Taxers. Such is the human mind. Acting and reacting one upon another, truth prevailing, error eliminated. Lintlaw, Sask., Canada.

ALBERTA GIESER.

NEWS NOTES AND PERSONALS

A DINNER was tendered to the teachers and trustees of the Henry George School on June 17. About forty were present. There was a general discussion of the policies of the School in which all present took part, among them being Frank Chodorov, Director of the School, Gaston Haxo, Mr. Christensen, Mr. Seif, Mr. Dingman, Otto Dorn and others. It was an interesting and profitable occasion.

THE Single Tax Association of Canada has addressed letters to the Mayor, Board of Control and City Council of Toronto showing how the present system of financing is enriching a few citizens at the expense of the majority. The Association points to the example of the London County Council which last winter petitioned the British Parliament for legislation to enable them to adopt land value taxation. We are pleased with this evidence of activity on the part of our Canadian co-workers. A bequest recently received has been followed by the establishment of a Henry George Foundation to receive similar bequests. The securing of a central home is contemplated and an appropriation of \$1,500 has been made to advance the work of the Henry George School in Toronto and elsewhere in Canada.

WILLIAM D. RAWLINS, executive secretary of the Realty Advisory

Board on Labor Relations, says that wage increases and vacations with pay granted to building service employees under the terms of an arbitration award would be reflected in higher rentals. Quite so. Did any one expect anything different?

WE have received a well-printed handbill from London with the name of Erie and Mrs. Beryl Eastwood. The circular says, "We want our land and we want our land rent." Those using this circular calling for political action are amalgamated with the Commonwealth Land party. The circular is a clarion call to action.

GLEN E. HOOVER, of the Department of Mills College, Oakland, California, recently said, "Single Tax is economic liberalism."

No mention has been made hitherto in these columns of the death last September in San Luis Potosi City of Robert Bruce Brinsmade. His name is familiar to most of our readers. His life was dedicated to the spreading of the philosophy of Henry George and at the time of his death he was engaged in writing a book to be entitled, "Logical Liberalism," which he was anxious to finish before the elections. His intensive work on this book hastened his death. His widow writes us: "We are hoping to publish this book in some manner, but because of conditions here all of my time and energy so far have been confined to saving the property left us." Mrs. Brinsmade informs us that one of her sons, Robert Turgot Brinsmade, a graduate in law from the University of Texas, expects to take up the fight for social justice so long advocated by his father. And Mrs. Brinsmade adds this assurance. "The continuity of the fight for the cause will not be broken so far as this family is concerned." We rejoice in this resolution while extending to Mrs. Brinsmade our sympathy in her great loss. Prof. Brinsmade was a valued correspondent of LAND AND FREEDOM and a subscriber almost from the beginning.

"YOUR paper is the best," writes Philip Kleinschmidt, of Leadville, Colorado.

WE have received and read with pleasure the speech of Hon. Charles R. Eckert in the House of Representatives on "Land, Labor and the Wagner Act." It is couched in a temperate tone and the economic lesson it teaches leaves little to be desired. We want to voice a prayer of thankfulness that our national legislature is not without one clear voice.

BOLTON HALL, dean of our movement, is not idle these days. His frequent letters in the *Herald-Tribune* have all his old-time vigor.

Retailing, a New York publication, announces that J. T. Ryan, Southern Furniture Association Executive, states that he finds 40 cents out of every dollar in the industry goes in taxes. What about the remedy, Mr. Ryan?

WE are pleased to receive the following from Will Lisner, of the editorial staff of the *New York Times*, and one of the most valued and competent of the teachers of the Henry George School in New York:

"I am glad to see that LAND AND FREEDOM is devoting considerable space to the Henry George School. Now if we can only find a way to get the graduates to take a post-graduate course in Comment and Reflection every two months—I say this although at times I do not find myself in agreement with your viewpoint—we ought to turn out some very well-informed Georgeists."

P. W. SCHWANDER of Houston, Texas, writes us: "Your pen eer-

tainly hasn't lost any of its cunning. Comment and Reflection in May-June issue is so good I had to read it three times."

"YOUR magazine is the best guide I have found as yet," writes Gordon L. McLaren, of Brookline, Mass.

"THE laws of nature must be obeyed to obtain success in society," said Wm. N. McNair, ex-Mayor of Pittsburgh, to the graduates of the Franklin, Pa. High School. The Oil City *Derrick* pronounced it "a witty address."

M. V. WATROUS of Fairhope, Alabama, has attained his 86th year. He has advocated the Georgeist cause for fifty years. He knew Mr. George intimately. He writes: "I want to congratulate you on your Comment and Reflection. It is A number one."

BALDEMER ARGENTE, leading Georgeist of Spain, narrowly escaped death at the hands of a Spanish faction, but was rescued by the intervention of a member of the Cortez. Senor Machello writes John Laurence Monroe of the Henry George School telling of Senor Argente's rescue, at which news Georgeists all over the world will rejoice.

EDWARD T. DUNNE of Chicago, died in May of this year. He was former governor of Illinois and president of the Chicago Single Tax Club. He was a friend of Louis F. Post. For the last few years he has retired from all public activity. He was 83.

The Tiger Rag, official student paper of the State Teachers' College at Memphis, Tenn., contains a news announcement and friendly editorial on the opening of the Henry George School in that city. The editor of *The Tiger Rag*, Arch Colbourn, Jr., has enrolled as member of the class.

WM. G. RADCLIFFE, son of our beloved "Billy" Radcliffe, writes: "It is a great satisfaction to know that at last the life story of Father McGlynn is to be placed between the covers of a book. Surely we owe a great debt to Mr. Bell."

THE death of A. J. Milligan deprives the California Single Tax movement of one of its outstanding leaders. Mr. Milligan was president of the Henry George Congress at San Francisco in 1930. With Mr. S. Edward Williams he conducted a class in economics with "Progress and Poverty" as the text book. Mr. Milligan's life was an inspiration. For years people whose minds were informed by the teachings of Henry George have met kindred spirits at Milligan's restaurant in San Francisco. Mr. Milligan was born in 1884 and died May 21, 1937. Mr. P. R. Williams, secretary of the Henry George Foundation, writes: "I am sorry indeed to learn of the death of A. J. Milligan who served so ably and aggressively as chairman of the Henry George Congress in San Francisco."

JOHN F. CONROY, 56 Murdoek St., Youngstown, Ohio, has a complete set of the *Public* in fifteen volumes bound and five unbound, which he will dispose of: Write him for terms.

GEORGE HUGHES of Topeka, Kansas, writes: "I do not think I have ever enjoyed print more than when I read the episode regarding Vince Connelly in your March-April number on page 63. I just glowed over H. G.'s answer. I could see how it knocked the prop from under Vince's opposition; I can see the consternation of Vince's friends. Almost I can see Vince, even as he got worn out as a propagandist." For the information of our readers it may be said that

George Hughes is a son of Thomas Hughes, author of that famous Juvenile classic, "Tom Brown's School Days."

WE know of few Henry George periodicals which are as well edited or the contents of which are so well written as the *Commonweal of New Zealand*, published at Wellington. It is a twelve-page monthly and its editor is E. W. Nicholaus.

WE learn of the death of Bernard F. McKenna of this city, a former member of the Manhattan Single Tax Club and a faithful disciple of Henry George. Some of our oldtimers in the movement in this city will recall him.

THE National Prosperity Committee has been organized in Chicago to take the next steps in securing the Single Tax. It has begun its work with the mailing of a pamphlet to 21,000 clergymen. The officers of the Programme Committee are Thomas Rhodes, George W. Strachan and C. J. Ewing.

ALICE M. CAPORN, Ph.D., writes us from British Honduras an interesting letter in which she says: "My purpose in coming to this country was to search out a suitable location for establishing a Modern Health Science Colony to be the nucleus of a new order of civilization. Its chief foundation stones will be:

FIRST—a democratic system of government through Proportional Representation or the Haig-Spence System of voting;

Second—The application of the Single Tax as the only means of obtaining revenue for social purposes."

Dr. Caporn believes she has located a suitable place for settling a colony—a 2,200 acre estate—which has recently been thrown on the market.

J. F. COLBERT of Minden, Louisiana, presses his proposal for a Henry George headquarters in Washington, D. C., thus supplementing the many letters we have received in advocacy of the same suggestion.

THE Provincial Library of Quebec, Canada, is in want of the issue of LAND AND FREEDOM for Jan-Feb., 1934.

F. J. FEE of Philadelphia, Pa., writes:

June 10 was the occasion of the Fifth Commencement Dinner of the Philadelphia Extension. The students and friends attending numbered eighty-seven. Fifty-three certificates were prepared for awarding to graduates of the several spring classes. The Commencement was considered by all present as being unusually inspiring. Dr. Henry George, 3d was introduced as Toastmaster by F. J. Fee, Secretary of the Student Alumni Council. The principal addresses were made by Congressman Charles R. Eckert, Miss Grace Isabel Colbron and Mrs. Anna George deMille. Miss Colbron, just returned from a visit to Denmark, presented a most interesting account of the progress of the school educational work in that country. Mr. Julian P. Hickok, Extension Secretary, reported on enrollment in the spring classes and presented the certificates to the graduates. Announcement was made by Mr. Hickok of plans for increasing the number of fall and winter classes. Others speaking were Dr. Walter Mendelson, who had been physician to the family of Henry George, Jr., and Miss Emily Solis-Cohen, who read a message from her father, Dr. Solomon Solis-Cohen.

A BIRTHDAY greeting from Henry Ware Allen of Wichita, Kansas, author of "Prosperity" has been received. Mr. Allen says:

"This is just a line from an old friend to greet you upon your birthday and to wish you many happy returns of the day. Sometimes I tremble to think of the loss that we would suffer should anything prevent your continuance in the wonderfully fine service which you are now rendering for the best of all forward movements. You have not had the support which you should have had.

A RECENT visitor to the Henry George School headquarters was Ashley Mitchell of England, who promises one hundred and fifty classes

of the Henry George School in Great Britain by the end of the present School year. A long interview with Mr. Mitchell appeared in the *Daily Star* of Toronto, Canada.

ANOTHER visitor to the School was C. G. Augustine Foote. Mr. Foote is an officer in the British merchant service and learned about Henry George at Petty France, London. Not so long ago he spent a few months in Russia where he was appalled at the fear in which the people live. On his latest trip there his ship was in dock for 12 days but only the captain was allowed ashore.

Mr. Foote has belonged to the Conservative, Communist, Anti-Communist, Fascist and Labor parties in England. He did not subscribe to their beliefs but wanted to learn at first hand what they really meant. He is a confirmed Georgeist now and has succeeded in interesting several of his fellow officers in George. He told us that when he first read "Progress and Poverty" he was annoyed at not being able to discover loopholes. He re-read the book and ceased to feel annoyed.

MR. T. C. FRANCIS, of Stoke-on-Trent, England, called about the middle of July. Mr. Francis is an engineer and was a member of the Land party in England before studying George. He is now a member of the Land Restoration Party and up to a few years ago he was quite active as a speaker. He was quite interested in our teaching methods and Mr. Chodorov presented him with a copy of the British edition of the Teachers' Manual. This was his first trip to the United States. He spent a few months in Detroit visiting his son there.

To be Published September 25

A Biography of **Dr. Edward McGlynn** **REBEL PRIEST and PROPHET**

By Stephen Bell

Dr. Edward McGlynn was America's pioneer preacher of social justice.

For advocating Georgian land doctrines as a means of ending poverty he was excommunicated.

Three times summoned to Rome, he flatly refused to go, and after six momentous years Rome came to him! He was fully reinstated without having to retract a single statement.

Mr. Bell's biography of this great priest will thrill you as few other books have. It is handsomely designed and illustrated and will make an ideal gift.

NOTE:—This book originally announced at \$2.00 will be published at \$2.75 due to unforeseen increases in text and cost of manufacture. Orders received before September 25, will be filled at \$2.50 postpaid; after that date at bookstore price only.

Write now to:

JOSEPH DANA MILLER
150 Nassau St., New York

An Open Letter

To Croasdale Single Taxers:

Dear Friends:

The late William T. Croasdale once said: "A Single Taxer is one who does something for Single Tax!"

Every Single Taxer today is the result, directly or indirectly, of reading *PROGRESS AND POVERTY*. The more copies sold, the more Single Taxers in this and succeeding generations.

The problem of the Robert Schalkenbach Foundation, publishers of the works of Henry George, is to establish contact with the retail bookdealer in the average town—your town.

The answer to this problem is for you, as a Single Taxer, to call upon your bookdealer and obtain *an initial order for five copies of PROGRESS AND POVERTY*.

This plan is workable. Tried in Cleveland, Ohio, two book stores that originally ordered five copies of *PROGRESS AND POVERTY* from a local Single Taxer are now purchasing regularly in lots of twenty-five. Exhibited, flat, on the dollar counter, the book sells itself.

More books on economics are being read today than ever before. In April, 1937, the sale of *PROGRESS AND POVERTY* was five-and-one-half times greater than during the same month a year ago. *PROGRESS AND POVERTY* is not just a current best seller which is read by the thousands the first year and then can only be found in a second-hand store. But, in the fifty-eight years since its first publication it is a BEST seller.

A few Single Taxers have pressed the sale of *PROGRESS AND POVERTY* by offering to take copies off the dealer's hands at the whole-sale price if not sold within a reasonable length of time. Incidentally, we have never heard of a Single Taxer having to make good this guarantee.

The regular twenty-five per cent discount applies on single copies: Thirty per cent in lots of five or more (carriage prepaid east of Chicago); and, forty-five per cent on ten or more, plus carriage.

Send the order in yourself. The books will be shipped at once direct to the dealer.

This is your campaign—make it a successful one. The results will be published in *LAND AND FREEDOM*.

Sincerely yours,

ROBERT SCHALKENBACH FOUNDATION
11 Park Place New York, N. Y.