Factory Production Is NOT Cheaper

By Mildred Jensen Loomis

IT was the story of the great Savannah which brought me out of the fog left by a college major in economics. Years after that degree, a poster drew me into a class in Fundamental Economics, where the fifth lesson in "Progress and Poverty" was under way. For several meetings the teacher was patient with my confusion, and then suggested that the reading of the story of the first settlers might help. It did. Few people have read those pages more often than I, or thrilled more to their presentation—how productivity in land is raised by the increase in population and the division of labor.

In discovering that the collection of this value by private individuals is the underlying and basic injustice in our society, I feel a great satisfaction. To the elimination of that practice I am unreservedly committed. But the picture with which Henry George concludes this matchless story no longer arouses my enthusiasm. He says:

"Population keeps on increasing. The town has grown into a city, a St. Louis or a Chicago. Production is here carried on upon a great scale, with the best machinery and the most favorable facilities; exchanges are of such volume and rapidity that they are made with the minimum of friction and loss. Here has developed one of the great ganglions of the human world. Hither run all roads. Here is the market—the largest and choicest stock. Here intellectual activity is gathered into a focus. Here are the great libraries, the storehouses and granaries of knowledge; museums, art galleries and all things rare and valuable. Here, in short, is a center of human life in all its varied manifestations."

Most land value taxers contend that such achievements of urban magnificence and highly specialized industry are, if not the chief end of man, the means by which he will attain it. Economists extol the benefits from extreme specialization coupled with more trade and exchange. One prominent land value taxer puts it this way: "From our voluntary relationships of exchange come every material and spiritual value that we possess and enjoy. . . . By no other means than by the extension of its exchange relationships, in its public as well as in its private services, can society maintain its own life and serve its individual lives."

The "glory that is industrialism" stamped my own otherwise rural childhood and adolescence with the urban-specialist pattern. Most of my generation hurried off to the city universities to specialize in law or medicine, or the very popular new fields, advertising and selling. My own acceptance of this direction led me into teaching. In various large cities I exchanged my services as a teacher, through our currency medium, for food, clothing and shelter. My associates did likewise; some in offices and others—more adventurous—in that profession created out of the disintegration of society, social work. On Saturdays we regaled ourselves at the opera or the museum and "with all things rare and valuable." Occasionally we would make a fleeting visit back home to pretend that the farm and family were still important to us.

That went on for years and then it lost its savor. I was aware of energies and potentialities unused. The schoolroom meant a repetition and a limitation, that, after fifteen years, stifled me.

As "Progress and Poverty" was to bring me an earlier awakening, I now came upon another book fully as arresting, "Flight from the City." This advanced a philosophy that *all* human capacities should be developed within the individual. It was, of course, critical of modern industrial urban life. It showed a new kind of country living, not our old drudging farm. Its author, Ralph Borsodi, had founded a School of Living. I made it a point to spend a summer there—and stayed on to work in it.

DEMONSTRATION: INTEGRAL LIVING

I found there a demonstration of integral living—the kind which is possible on a small homestead. Here the belief was held that human happiness and the good life grow out of the full use of all human energies—physical, biological, mental, emotional, artistic, social and spiritual. The School of Living, a model productive living plant in its natural community, has turned away from the accepted urban-industrial-specialist pattern, and teaches the members of a family group (preferably three generations) the skills necessary to produce directly from the land their own food, clothing and shelter; and the meaning of the mental, emotional, artistic and spiritual experiences which accompany such living. I joined in the gardening, dairying, weaving. New zest grew steadily in response to demands on my hitherto dormant, manual and social skills.

I observed the busy resourceful families at work on their homesteads around the School, and did not need seminars and statistics to prove that the "family" is the chief victim of modern industrialism.

For the first time in my specialized career I came face to face with the fundamental challenge resting in the

family and a home. Fortunately there came the chance to shape the rest of my life in this pattern. Now I am finishing the third year of sharing and helping develop our thirty Ohio acres, which we call Lane's End Homestead. Here my husband and I care for a large garden, the orchard, a dozen sheep, two cows and two pigs with their young, one horse, a small flock of chickens and turkeys. This blessed base, with a moderate amount of healthy exercise, brings us shelves and bins full of vegetables, a steady supply of milk, cheese, meat, butter and eggs and the appearance of the family's meals without the daily trek to the grocery. We actually sing, along with an unknown minstrel, "We eat our own lamb, our own chickens and ham. We shear our own fleece and we wear it." Our "exchange" is at a minimum. If this seems crude and unmodern to the Georgeist enamoured of specialization, trade and exchange, please give a closer look to the economics of this kind of living, as well as the more subtle satisfactions to be enjoyed.

Mrs. Loomis in her productive kitchen

First, the economics. To produce at home is usually cheaper than buying. We grow wheat on our land and grind it in our electric kitchen mill at a cost of 2c a lb., figuring in all land and equipment costs, taxes, interest, and depreciation. A similar nourishing flour in small packages at the grocery costs 7c to 9c a lb. White flour, devoid of the nutritious germ, because it spoils readily in storage, may be had for 4c or 5c. From the whole grain we make both cooked and dry cereals, which are superior in flavor and food value to purchased kinds. Their cost is from 2c to 3c a pound, whereas packaged cereals range from 25c to 50c a lb. Home baked bread at 4c a loaf compares favorably with the 10c and 12c loaves at the store. We produce lard, meat, cheese, eggs, vegetables, fruit and honey ever so much cheaper than we can buy them. *To purchase for our table a supply equal to what we produce would require an additional $55 a month in cash.* This saving I apply to the payment of the mill, the heavy-duty kitchen mixer (which churns, kneads bread and processes food), the washer, loom and other equipment which makes possible this production without drudgery. Our own wool is spun at a small mill at a cost of 85c a lb. (including the 50c we would have had if we had sold it), and gives us a yarn that could not be purchased for $1.65. The garment or house furnishing into which we weave and sew it, represents infinitely less in cash as compared with purchased articles.

My husband works in a nearby city, and but for our conviction as to the superior economic and intangible benefits of living in the country, we would reside there. Our savings on rent (partially affected by increased transportation costs) and on decreased doctor bills because of better health, add to the income of country living. These we apply to the land and other capital investments. As soon as they are totally paid, John will give up his city job, and we will be able to live in comfortable circumstances on 30 acres. We recognize that in this day of monopolization a family cannot produce via sale of crops from 30 acres sufficient to easily pay the costs of land equipment necessary for farming it.

The total savings from direct production against securing all our income through specialization and exchange is sufficient to substantiate our motto:

> "Produce all that you can for yourself. Buy only that which you cannot produce."

We would remind others that just because it may be efficient to produce automobiles, refrigerators and typewriters in mass production, it does not follow that bread, milk or pork should be produced that way. (More money is invested in the milk than in the automobile industry.) We see little need for seven- or nine-story flour mills if people in great masses were only persuaded that it is cheaper and better to bake, than to buy bread. Hauling wheat from Kansas to Minneapolis and shipping the flour to Brookville, Ohio, is eventually more expensive than growing our own wheat and grinding it in a $15 mill in our kitchen. Even though the mass production of the flour may reduce the unit *production*-cost, this large-scale system entails an inversely high *distribution* cost, which makes the product in the consumers' kitchens higher than when produced locally, where distribution is nil. We need to evaluate again the economic ad-

vantages of specialization in industries such as these. I doubt if the staunchest Georgeist, after a week in my homestead kitchen, could successfully defend the thesis that the specialized production of flour, cereal and pork was the way to do it as Henry George said, "at a minimum of friction and loss."

When we compare the quality of living made possible by a modern productive home on the land with that of any highly revered specialty like teaching, there is no balancing specialization with a diversified pattern. One's improved health is no minor factor. Processed and packaged food is devitalized, and much of the notorious poor health of industrialized people can be traced to it. Growing and processing food at home means food with protective vitamins and minerals, the value of which we have seen in our own experience.

How stupid to rate any "job" superior because it is devoid of manual labor! Here the *work* itself is enjoyable; in most industrial employment only the end-product, the paycheck, provides a means for satisfaction. An agrarian society offers a more fundamental approach to the arts. Art should not be confined to the museums. Art should be integral, and constitute a sense of *doing*. Weaving of textiles, designing of garments, decorating, planting, serving meals—all become functional ways of living artistically. Working with growing things—plants and animals as well as humans, and being a part of the birth and death cycle of pets and garden, gives life a depth and an insight that impersonal urban life renders impossible. Responsibility and integrity develop when one gives care to one's own property and animals. A new wholeness of living heightens our religious sensitivity, with a new appreciation for the inscrutable forces in the universe.

FRANZ OPPENHEIMER'S VIEWS

The contribution of a revered Georgeist, Franz Oppenheimer, toward an agrarian society should be noted. He says in *Free America*,* "Urbanism and finance-capitalism—to a large extent the product of a foolish system of land distribution—is rapidly destroying the very backbone of the country—the independent farmer. . . . The inability of immigrants to get land compelled most of them to stay in the big industrial cities, to crowd the labor market and pull wages down, to develop urban capitalism which promotes its own interests without regard to the interests of agriculture. . . . But between 1920 and 1930 the American rural farm population furnished no less than 5.8 millions of 'emigrants' to the cities, which helped pull down wages and salaries in every field of employment."

He gives our total farm acreage as 987 millions, of which 522 millions are improved and 465 millions are pasture, woods, lakes, etc. He deplores the present distribution of our 6.3 millions of farms as follows:

Size of Farm	*% of Total Farms*	*% of Total Area*
Up to 40 acres	37.5	5.7
Up to 99 acres	59.4	15.7
More than 500 acres	3.7	38.9
10,000 and more	.05	11.3

Which shows that 97% of our farms constitute but 21% of our area. He says that students of the question in both Europe and America maintain that 12 or 13 acres of improved land are, on the average, sufficient to sustain a farm family in ample middle class existence; that our present rural population of 6 million families (25 million people) could easily be increased to 42 million families (175 million people), and that "It is not an exaggeration to say that the problem of unemployment after the war can be solved only by an intelligent plan of land resettlement. It is possible and practical to relocate on the land all those who are now dependent upon war industries, and who will be demobilized from the armed forces of the nation."

It is such a future that all agrarian Georgeists hope for, rather than one of new industrial outlets now ballyhooed for the soldiers and war workers when the war is ended. It is to a human, organic way of life we hope we can re-educate them, rather than to develop more of the disintegrated, belt-line, de-humanizing mass production in big factories and offices. The "specialist's" insistence that all the food which our nation needs could be produced by but 6% of our people living on the land *may* be a possibility. But people concerned with a *good* society will join ranks with Oppenheimer and Borsodi, for drawing people to, instead of away, from the country.

It is that more agrarian or decentralized society which I recently discovered Henry George himself envisioned in a not-often-quoted chapter on "City and Country" in his *Social Problems:* "Nothing more clearly shows the unhealthiness of present social tendencies than the steadily increasing concentration of population in great cities. . . . The vast populations of these great cities are utterly divorced from all the genial influences of nature. . . . Life in these cities is not the natural life of man. He must, under such conditions, deteriorate physically, mentally and morally. Yet the evil does not end here. This unnatural life of the great cities means an equally unnatural life in the country. As the great cities grow, unwholesomely crowding people together till they are packed in tiers, family above family, so they are unwholesomely separated in the country. . . . The old healthy social life of village and townland is everywhere disappearing.

"All this springs primarily from our treatment of land as private property. When no individual could profit by the advance in the value of land . . . when monopolies are broken up, industry will assume the cooperative form. Agriculture will cease to be destruc-

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* July, 1941.

Where Jews Prevent Speculation

[Excerpted from an unsigned manuscript]

THE transformation of the predominantly urban Jews of Europe into rooted-in-the-soil farmers of Palestine is a most astonishing feat.

Jews became a predominantly urban people only after their exile from Palestine. They were forced to that because most of the countries where they found refuge would hardly tolerate foreign agriculturists on their soil. The whole structure of feudal agriculture, represented by nobles and serfs, had no place for outsiders.

The general run of the Palestine settlers before 1914 was poorer in industrial qualifications and working experience than the Jewish immigration which went at the same time to the United States. In the townships of Poland they used to say at that time that dreamers are going to Palestine, while practical people prefer the United States. . . .

It is quite natural that the transformation of "dreamers" (who in most cases came from impoverished middle class families and had no working experience in the countries of their birth) into useful pioneers of a new and difficult country was a very difficult task. It required a great amount of practical training.

While the system of preliminary training of prospective pioneers before their arrival in Palestine provided an excellent human material for the upbuilding of the country, it left unsolved the financial problems involved in the establishment of a modern agriculture in a long-neglected land. As a general rule, the young pioneers had no means of their own, and even their passage had in certain instances to be covered by the Zionist Organization. There was, therefore, no chance of establishing them on land unless the costs of that were to be borne by some public fund.

With the continuous development of Jewish colonization the land prices went naturally up, and this created a basis for considerable land speculation. Would the Zionists consent to the land becoming an unlimited property of the farmers settled with their assistance and help, these farmers would be finally, with all their initial good intentions, drawn into the vortex of land speculation. The weaker of them would succumb to the temptation of selling their property for higher prices and establishing with the money received some kind of business in the city; while the stronger and more persistent would increase with time their farm holdings, and cultivate them in the typical colonial manner, by ruthless exploitation of backward "native" labor. Experience showed that in the conditions of Palestine an agricultural community based on farmers working with their own hands, instead of relying on hired labor, could not achieve progress and stability if a certain limitation on land ownership were not adopted.

Thus was established the Jewish National Fund, which buys land with money collected from contributions throughout the world, and makes it a perpetual property of the Jewish people. The farmer gets it on long leases (from 35 to 49 years), with the assurance that at the end of his contract the lease will be automatically renewed for another long period of time, provided he meets certain elementary requirements. These are the payment of a moderate yearly rent (about 2% of the value of the land), and the cultivation of the land with his own efforts without the continuous use of hired labor.

As a rule, the Jewish Agency, which represents the concentrated efforts of the Jewish people on behalf of Palestine, supports only those farmers who established themselves on National Fund land, and are willing to accept the above restrictions which ultimately work for their own benefit. There is a considerable number of communities composed of individual landholders established on the property of the Jewish National Fund. In case a farmer belonging to such a community is forced by weighty circumstances to leave the village and to settle in the neighboring city, he is entitled to a just compensation for the improvements he made on his farm. He may find another man who is acceptable to the community as his successor, and he may make arrangements with him concerning the above compensation. Usually, however, such successor is chosen by the village community, which fixes the amount of compensation by arbitration. In any case, *the settler is given credit for definite improvements made by his own labor or money. He cannot, however, expect to be paid because of the generally increased value of land.*

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tive, but will return to the soil what it borrows. Closer settlement will give rise to economies of all kinds; rural life will partake of the conveniences, recreations and stimulations now to be obtained only by the favored classes in large towns."

To me, there is no discrepancy between the decentralist and Georgeist hopes and goals—a society in which the determining majority of our families live and work on the land. After all these years of explicit and implied emphasis that Georgeism meant increased mass production and urbanism, it is good to note that Henry George so clearly identified the good life with the country. One of my Georgeist friends with whom I often discuss the relative merits of country and city living usually concludes the tilt with, "What does it matter which is better? Just let us have the freedom which social appropriation of land-values will bring, and people can then get whichever is best for them." Which is all right, except that we can become adjusted to anything, and so many people are now so conditioned to urban living that they actually believe it is good.