

ROME IS BURNING

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What is taking place, unseen by many people living today, will appear on a later historical graph as the hastening collapse of an era. I believe the descent we are in could be halted and reversed. But will it be. I'm afraid not. Why? Because there is no outcry from leaders of thought, from leaders in business or of labor, or from leaders in government. No outcry from those on the right or the left or inbetween, against what has long been apparent to Georgist economists, and is becoming increasingly clear to others.

Germany had a serious collapse in 1923. The U.S. had a serious depression in 1932 - the worst to date. But were the lessons learned? Is it not amazing that the Germans, after less than two generations, are heedless that the world is now entering a time when all savings, all insurance policies, all pensions and all bonds and notes and mortgages, and most common stocks will become worthless, reducing respectable people to helpless beggars? Can it be that they, of

all people, are not aware of the anguish and chaos that will accompany a clearly evident collapse in the future?

Here in the U.S. the figures show greater distortion than in 1923 or 1932. Figures on interest rates, on the growth of the money supply, and on land speculation are now farther out of line than in the 20's or 30's. The day of reckoning may be Orwell's 1984, or 1994 or the year 2000. Economic repercussions will be so great as to possibly bring nuclear warfare and the demise of our current civilization - the world will drop to the low points of the cycles of China's dynasties - a period akin to the Dark Ages.

Today's "accepted" economics (Keynesian or Friedmanite) are reconciled to a 3, 4 or 5% annual rise in the price level. They do not call our attention to the overwhelming forces that have been created in favor of more inflation. Everyone fears the consequences of any halt in the money supply. Leaders in government and in business all have borrowed and acquired in anticipation of inflation, and would be hurt (temporarily) by its halt.

General thinking now is that wages can rise as prices rise, that social security payments can likewise keep abreast of increasing price levels. No attention is paid to the steady reduction (or theft) of the assets of the decent, innocent earners who have put their earnings into savings - and thereby provided the economy with the capital goods needed for healthy growth. What will happen to them with the wiping out of all dollar claims? They will be reduced to helpless beggars or wards of the state. That is the climate in which demagogues rise and thrive.

Who is to blame for this alarming state of affairs? Should we blame leaders whose stockholders make them think only of the present? Should we blame politicians who think only of votes from an uninformed electorate? Possibly, but more than that I blame our educators who have not educated themselves, nor their students, to serious remedies. All they can do is waste time on conflicting minor, and often fallacious, remedies.

They call for "compassion," civil liberties, public

housing, a guaranteed annual wage! What good are they when the base that supports us all - the land, is allowed to inflate and undermine our very foundations? Current trends make it increasingly difficult to believe in the social intelligence of mankind. What good are radio and TV channels, the plane, the computer, when hoards of men and women find themselves rioting and killing for survival?

We are told that in a democracy, the electorate can have anything it wants. I believe that if enough of us could be persuaded to demand two things, this world could really make uninterrupted progress:

the first is to restore to men and women their common birthright; that is, for the community to collect the annual rental value of natural resources, which includes the valuable land in cities;

the second is to eliminate inflation by preventing the Federal Reserve from counterfeiting the money supply by buying government bonds. We must have stable backing of the dollar.

But this second by itself is not sufficient; we must have an end to the private, speculative monopoly in land, if inflation is to be eliminated. Both together can forestall economic collapse. Without them both, I fear Rome will burn to the ground.