war, now on pension from the Co-operative Union, and nearer eighty than seventy, he, in collaboration with M. Max Toubeau and others, revived *Terre et Liberté* as a cyclostyled issue. Scattered supporters were traced, the *Ligue* was reformed, and now the journal appears again as a regular printed quarterly. Moreover, Daudé Bancel's prestige as a journalist, and his extensive acquaintance, enabled him to place his own and fellow Georgeists' articles in other periodicals. Daudé Bancel always remained true to Co-operative ideals, but he saw that they could never be fully realised without land reform.

So fate overtook this indomitable man in his ninety-third year, almost as active as ever; and his last article, written only a few days before his death, appears in the number of *Terre et Liberté* consecrated to his memory. In this article, which is a review of a study of the spirit of revolution, he emphasises the eternal futility of trying to redress the effects of injustice by transferring power from one set of rulers to another. Only by the calm exertion of thought, applied to essential economic conditions, he points out, can a real revolution be brought about, a revolution that requires neither violence nor compulsion and will fulfil all the hopes of those socialists who would abolish the exploitation of man by man.

Daudé Bancel did not speak English, and to English eyes he appeared a typical Frenchman. Yet in this last article one feels his voice as the calm accent of reason, the universal language of all men at all times. Georgeists will recognise that the belief in revolutionary violence of the past has its counterpart in the belief today in the compulsory powers of the state, acting on the mythical authority of the experts. This assuredly will go the way of the old superstitions. But reason will endure.

Meanwhile Georgeists throughout the world can gather inspiration from this example of the tenacity of one who laboured so faithfully in a country where recent events have made progress especially difficult. Sympathy, perhaps in practical form, will go to our French comrades.

Journey Through Gobbledygookia

BY ERLING NORLEV

". . . these abstract round-the-clock psycho-dramas by which modern economists try to rid themselves of their inferiority complexes and frustrations . . . "

"THE STUDY OF ECONOMICS has been again and again led astray by the vain idea that economics must proceed according to the pattern of other sciences" says Ludwig von Mises in his recent book *The Ultimate Foundation of Economic Science*. A multitude of textbooks confirms his statement.

The purpose of science, including its use of mathematics, is clarification, i.e. making complex phenomena simple. In economics, the "scientific approach" and its concurrent abuse of mathematics seems to have the opposite purpose of making simple things complicated. The following examples of economic gobbledygook were gleaned from Prof. Paul A. Samuelson's textbook in economics, which is widely used at American colleges and universities, and holds some additional interest in that its author is one of the economic "experts" of the Kennedy administration. The quotations could, unfortunately, just as well have been found in scores of other works:

"People must be . . . abstaining from making net saving become negative."

"Note how the area of inequality on the Lorenz diagram has been reduced; progressive taxation has shifted the solid line into the broken line nearer to the 45° line."

"The Best-Profit point is the quantity at which the slopes of the total revenue curve and the total cost curve are exactly parallel; and where the slope of the total profit curve is zero and horizontal."

If it does not seem fair to quote explanations accompanying diagrams without showing the diagrams proper, my excuse is that the diagrams are even more obscure than their captions, and that total murkiness scares me. The point is that most modern economists refuse to state simply and directly and in so many words what they are talking about. A Samuelsonish explanation of "Fig. 2" reads, for example: "CC is the propensity-to-consume and SS the propensity-to-save schedules for the community. Note that these are closely related: the break-even point B is shown on the upper diagram where SS intersects the horizontal axis . . . " All he is *really* trying to say is: "Whatever people don't consume, they save . . . " and his only valid excuse for not saying so would be the fact that his publisher pays him by the word.

Since most modern economics can be reduced to a few exorcisms *à la* "Make the economy grow four per cent. a year", "government pump priming", and "mild inflation", it is very hard to see any reason for the garbling language of the Gobbledygookians except pure and unadulterated snobbery. The reader senses the frustration experienced by the economist, as he has to dabble at an unnatural science instead of a natural one, from the following outbursts by Mr. Samuelson:

"These relations combined with the C+I+G breakdown of NNP can be used to give an *algebraic* demonstration of our identity . . . "

"We are once again led back by the *geometry* to our fundamental rule . . . "

In this way he almost imploringly, indeed almost with the proverbial lump in his throat, invokes the Muse or the Wizard of yonder *prima disciplinarum* — mathematics — to no avail whatsoever, since it is a matter of fact that mathematics has a sinister tendency to make the economic knots at hand even more Gordian. In this, however, he is no different from a host of other people, economists and non-economists, who are of the opinion that the use of mathematics makes the treatment of any topic more scientific, more objective, more exact — and subsequently, of course, more worthy of pursuit. Dr. W. R. MacLean of the Polytechnic Institute of Brooklyn has worked out the following shattering formula:

$$No = K \frac{1 + \left(\frac{aV}{4\,\Pi\,h}\right) + do^2}{do^2 \quad Sm^2}$$

which produces an eerie feeling that if someone really in the know laboured over it for a while he might wind up with a neutron bomb or a death ray or some such thing. Actually the formula only tries to explain in symbolic language how many cocktail-drinking people can be safely packed into how big a room and imbibe how much before the din of the party becomes overpowering, and the use of it does not make cocktail-parties any more scientific or exact. When, in more or less the same manner, Prof. Samuelson defines "the average income velocity of circulation of money" as

$$V = \frac{NNP}{M} + \frac{p_1q_1 + p_2q_2 + \dots}{M} = \frac{\text{sum } pq}{M} = \frac{PQ}{M}$$

this Rosetta stone inscription does not make the concept of "the average income velocity of circulation of money" one whit clearer or more scientifically acceptable, since the irreparable defect of the formula *qua* working formula is the fact that the symbols correspond to no clearly definable quantities in actual life.

In these abstract round-the-clock psycho-dramas by which modern economists try to rid themselves of their inferiority complexes and frustrations, the production factor called *land* is one of those filthy, incestuous, unspeakable things which every nice chap for the sake of his own sanity and purity should ban and bar from his innermost sanctuaries, as well as all adjoining chambers. Again, the textbooks bear witness. The reader searches in vain for words such as justice, freedom, democracy, and ethics, but these and related concepts are omitted, we are told, because not only have they nothing to do with science but they tend to corrupt the scientist. This excuse can hardly be made for cursory treatment of the land problem. Even the most hard-boiled egghead ought to state clearly in his textbook that land is different from all other production factors in two respects:

1. Land cannot be produced.

2. A tax on land makes land cheaper. A tax on anything else makes anything else more expensive.

These two traits are objective, factual, demonstrable and irrefutable. From them follows — through a normal chain of reasoning — that the *price of land* is different from other prices.

Prices of produced goods show by their movements up or down, scarcity or abundance. If they go up, the producers will reap more profit. So the price has several important functions. It registers where and when a demand exists, it measures the intensity of the demand, and it holds out promises of the profit or gain which is the incentive for the one who tries to meet the demand. We could also say: via the prospects of profit it makes someone *go to work,* produce, create, *do* something to alleviate the intensified demand. It should be noted, and not only in passing, that the price can perform this function only within the framework of private property. The prospects of future gains are not likely to excite or incite anyone if he knows that the gains will not be his to use as he sees fit.

In the case of land, everything is different. Rising prices will only register scarcity (whether natural, or artificial through speculation). They will not cause more production of land since land cannot be produced. Moreover, as land cannot be produced there is no economic or logical reason why any profit should be made on the selling of land. If all profits from, say, the manufacture and sale of refrigerators were confiscated by the state, refrigerators would become extinct (unless, of course, the state decided to manufacture refrigerators, in which case they would become defective, scarce and expensive). If all profits from the sale of land were confiscated, land would still exist in precisely the same quantity as before —and go on existing.

Such are some of the factual differences between land and the other production factors. In other words, there is a special relation between the price of land and the national economy as well as another special relation between land and the institution of private property. In no textbooks that I know of are these special relations pointed out and satisfactorily dealt with.

In the United States there are some 60,000 foreign students every year, many of them from so-called underdeveloped countries and many of them students of economics. What useful "tools" of economics are they given to take home later? The answer is, practically none. Or perhaps one should say "impractically — none." No textbook has been written for the underdeveloped. A good textbook for them might, incidentally, do a lot of good for the students from the more favoured countries too, by making a stand against the x-and-y-ing *absurditors* who are unable to disengage themselves from the fact that John Maynard Keynes was in vogue when they were young.