

The Last Depression

THE "depression" is now approaching its tenth anniversary. Fond have been the hopes, positive the predictions, that the "next" year would witness the "upturn." Men like Ford and other captains of industry, have even gone so far as to certify we are on the verge of the greatest era of progress yet known. Surely by now they must be known to be false prophets. Anyone honest with himself will admit that a feeling of resignation has replaced such wishful thinking.

The late Oscar Geiger, founder of the Henry George School of Social Science, as long ago as 1929 declared this to be the last depression, a very daring statement indeed. Those by whom the full import of these words was not appreciated felt that he was unnecessarily rash. Depressions had come and gone before. Why should this one be the "last?" But those who were nearest Oscar Geiger's thoughts knew he had spoken in the language of a true prophet, that this was not the utterance of a disappointed, disillusioned man tilting at the Pollyannas, but of one who spoke from the knowledge of a great central truth. For to him was it given to see the underlying basis of our social structure, and he unquestionably founded his statement on the principles of equity so beautifully and yet so fearfully expounded in the tenth book of "Progress and Poverty." He understood the full meaning of the concept of *freedom*.

"She will have no half service!" Thus did Henry George characterize the Goddess of Liberty. Looking back into history, we gather that something of this truth was also undoubtedly in Abraham Lincoln's mind when he declared that a nation cannot continue half slave and half free.

Indeed today there could hardly be found in the civilized world anyone to dispute the injustice of human slavery when recognized in the livery of the bondage Lincoln spoke of. For, pitted against such a gross form of evil, verily does justice stand out resplendent in full armor. Men *will* rally behind a good Cause when they become capable of understanding, even though it may take a while before they shake off the ignorance which alone can delay its realization. But suppose they are confronted with a wrong which is too subtle for their comprehension, and ignorance prevails over understanding. In that case can a nation or world of *such* men continue half slave and half free? Here we come to Oscar Geiger's prevision—his knowledge of the modus operandi of justice when called upon to eradicate that which mankind is too ignorant to cope with. Let us try to illustrate what we mean by taking a situation, one which is with us even now, where a people intelligent enough to outlaw a banal institution such as chattel slavery are not intelligent enough to recognize that same institution in a more insidious form.

It is of course wrong that society should fail to collect the ground value which its presence and intelligence

have created. Those are not moral laws which have permitted and still permit privileged individuals to appropriate the people's rent—to reap where they have not sown. Still in all, it is quite possible such a practice would not result in the economic crashes we have been experiencing *if* the beneficiaries of the privilege had been content with what we term the "economic rent." To be sure, most of us would be paying tribute to that degree, but had the injustice gone no farther it is probable we would have had a more stable economy, and be spared the wrath of those pent up forces which periodically descend upon us in the form of hard times.

But such an economy, even though as stable as that of the earlier Egyptian civilization must have seemed, is an affront the more terribly to be dealt with by outraged nature. Seeing such a subtle wrong, one that would likely go no farther were it content with half a loaf, she calls upon justice to summon an alchemy even more subtle, whereby the evil is made to pull down its house upon its head. In asserting her perfection she will not permit the owner of the earth to remain satisfied with "economic rent." Instead, she remorselessly conspires with all the elements to set in motion an irresistible impulse to cause the pernicious system to outdo itself—to demand an even higher "rent," calculated on the *future* gains of the private appropriation of the people's values.

Thus does justice employ evil to brew a poison we call "speculative" rent. Administered in ever increasing doses to labor and business (the source of all rent) the wheels of their industry slow down, and a depression comes forth.

Again and again does justice thus sound her warning to ignorance. She gives constant notice of a determination to put her house in order. For centuries her final stand, however, has been postponed because there was still some "free" land left, which provided a partial asylum for locked-out labor, enough to restore some economic equilibrium. But today the free land is no more. The prophesy of Henry George seems fulfilled—there is no escape. "The pillars of the state are trembling even now." The democracy we still enjoy quails before the forces of totalitarianism storming at the gates without, *and within*.

We do not mean to draw a picture of inevitable chaos and destruction. Georgeists must strive, as did Oscar Geiger, to make this really the last depression. If we can do it, *by abolishing poverty*, it is certainly worth all our efforts. On the other hand, if we do not spread the teachings in time, the world is probably due for the greatest setback of all the ages within our knowledge. But let us not complain if we go into darkest retrogression. We would *have* it so, rather than continue half slave and half free. For after all, *Justice* is the Supreme Law of the Universe, and if society be unworthy of life, then let it be gathered up—He maketh all things, He doeth all things well.

For the consolation of Georgeists—Well done, thou good and faithful servant.

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