

The Shovelcrats

By CRAIG RALSTON

(Conclusion.)

Government devised a tax-sustained "planned economy" to make more work to be divided among the jobless. It fixed hours and wages and told bosses to hire more men and pay them more.

Doles fed those not succored by other rescue measures. Dolesmen marched in squads to improvised tasks, useful and useless. Because they were not harassed by tax and rent collectors, dolesmen found they got more manicuring the sage brush than they did shoveling, so it was good business to cling to doleful jobs.

Another tax built houses for those without roofs of their own. Other taxes created pensions and varied benefits.

All these activities expanded government enormously and gave New Dealers a campaign bar'l rivaling that of their foes.

A new election is at hand. Some shout for this ism, some for that. The campaign follows routine course. All candidates wish to hold the gains Dry Lake City has made and achieve more. Conservatives and Liberals vie in support of monopolism—the ism which boosted the value of shovels from 1 to \$10,000. Only the matter of "face" constrains both groups from uniting to establish a permanent system of paternalism.

Protectionism is the only issue to be debated by spell-binders. Conservatives desire to revise the railroad outward and collect more taxes for infant industries. Liberals want to revise the railroad inward and repeal the tax. To do so without pain to pocketbooks and feelings, the Liberals propose shifting railroad revision from the city council to the city clerk. Critics of this plan assert the council is the only town group with power to tax. If this is so, the Liberals have devised an unconstitutional way to revoke an unconstitutional tax.

William Martin stumps for Conservatism:

"Shovels are worth \$10,000 and beans \$5 per bag, and individual initiative and enterprise will make them worth even more! Home markets for home beans! Vote for the 'American System!'"

Joe Miller gets himself an ism by buying a soap box and joining the Communists who have started a movement to depose God. "I say: abolish capitalism, competition and the wage system!" he shouts. "Reconstruct the social order! Coordinate our lives into a harmonious whole!"

"Life in Dry Lake City is just one damn ism after another," says Tom Morgan. "Comrade Miller has trotted out the eeriest one of the lot. His ism would organize all the oppressions which now bother the people into One Big Oppression to be exercised by the State.

"Everybody's nose is in a State nosebag. The rich got their noses in first, and now the poor have caught up. If we feed from State nosebag long enough, we'll get the nosebag habit. We won't care whether Conservatives, Liberals, Fascists, or Communists fill the bags—just so they keep them full.

"The power to fill or empty nosebags at will comes handy to politicians who want more power. Folks must eat. They will swap votes or anything they possess for full nosebags. In no other utensil can cries for rights and liberties be more pleasantly and effectively stifled. The cure for State nose-bagism is shovels. When everybody gets his own shovel and earns his own living, he will be his own boss—sans isms, sans nosebag and sans State."

This political uproar does not solve the problem of our lake. Doubtless a technical report such as this will be considered no place for the philosophy of economics. But it seems that nature requires mankind to comply with her laws, particularly those that establish and maintain economic justice. If mankind reb-

els and refuses to permit these laws to operate benignly, they become punitive.

This is now quite apparent in Dry Lake City. Because the people cannot pay taxes, taxes drop. Because they cannot pay mortgages, mortgages are wiped out. Because they can pay neither taxes nor mortgages, shovel values shrink. Through receiverships, foreclosures, losses, and heartbreaks, nature crashes through, grimly effacing human errors with the ruthlessness of a steam roller.

Communities which possess boom-bust economic systems like that of Dry Lake should become aware that there is a depression just around the corner and that at intervals it will make a clean-up. Inevitably, each boom will be followed by a bust. A community should learn to bust in a dignified manner.

With debts scaled down, taxes slashed and shovels cheap enough so workmen can obtain a return for their labor, a balance may be restored, in which case work on our lakebed will be resumed. When that occurs, Dry Lake City will be ready for another boom, which will be followed by another bust, and so on.

The outlook for our lake is, therefore, not encouraging. With each crisis, the people will resort to the best minds to pull them out of the hole. These brain trusts, no doubt, will ransack the chancelleries of Europe and excavate the bombs of Babylon to find what other best minds and brain trusts did in time of stress, but they will not dig our lake.

No purpose is served by further elaboration of this report.

RECOMMENDATION

Our company is interested in the excavation of a lake as the nucleus of an irrigation system. We care nothing about the economic theories of the Shovelcrats, or whether they succeed or fail.

Therefore, I recommend that every man in Dry Lake City be forthwith supplied with a shovel so all can go to work, to the end that the lake bed be speedily excavated.

JOHN WILLIAM JONES
Commissioner

SUBSCRIPT

By your directors' leave, I will set another picture alongside the Dry Lake City scene. Two comparable portraits may depict your camp more clearly than one.

The "American System"—the only system that distinguished the United States from Europe—was cheap land and low taxes. This system endured until the end of the homesteading era, about 1900. It was the era of self-dependent, self-reliant American citizenship.

From 1900 on, the value of land in the United States steadily increased. In these depression times, it is about \$150,000,000,000, a figure which, bobbing up and down, represents the "unearned increment." Most of this \$150,000,000,000 of phony capital

drifted into the hands of about 10 per cent of us. It is the sum on which the rest of us pay rent and interest.

This phony capital is maintained by the dark rites of the tax system, through which the tax load is sifted from those who own the phony \$150,000,000,000, to working capital and labor. Sometimes the shift is concealed in taxes based on "ability to pay," or unseen taxes, or is screened in "tax limitation" activities and campaigns to "relieve real estate."

While our phony capital thus multiplied, our public and private debts mounted to something like \$145,000,000,000. These debts are real. Piled on the debts is a \$12,000,000,000 tax bill to add to the \$6,000,000,000 we pay in economic rent.

The census shows how increasing land values affect our farm population. In 1900, farm land averaged around \$15 per acre; in 1930 it was nearly \$50. With the climb, fewer farmers owned land. Mortgages and tenantry increased.

1900, 64.7 per cent of farmers owned their farms; in 1910, 63.0;

1920, 61.9; 1930, 57.6; 1940, (?).

In 1900, 30 per cent of farm owners were mortgaged; 1910, 33.2; 1920, 37.2; 1930, 42.0; 1940 (?).

In 1900, 66.5 per cent of farmers were free from mortgage; in 1910, 65.6; 1920, 52.8; 1930, 51.7; 1940, (?).

1900, 35.3 per cent of farmers were tenants; in 1910, 37.0; 1920, 38.1; 1930, 42.4; 1940, (?).

This is the road to land monopoly. Great prophets—from Moses to Henry George—have told what befalls nations who reach that goal.

It is scarcely necessary to recite Protectionist exploits. The Dingley tariff bill of 1897 was followed by the Payne-Aldrich act. The two were climaxed by the Fordney-McCumber act of 1922 which levied on consumers a \$4,000,000,000 yearly tax of which \$3,500,000,000 went to tariff profiteers, and \$500,000,000 to the U. S. Treasury. The Smoot-Hawley bill of 1930 increased the lofty Fordney-McCumber tax by \$1,000,000,000 per year.

JOHN WILLIAM JONES
Commissioner.

The End.