

COMMENTS AND CRITICISMS

Henry George

Mr. Davies raises some interesting points in your March issue but are his assumptions sound or his premises justified? He assumes that private earnings "may be broadly classified as payments for personal services and payments for saving" but does this show the true relationships? Do we pay "for saving" and can interest be so regarded? Is there any clear demarcation between payment for services and payment of interest? Capital, in a sense, earns its own interest by the added efficiency which tools give to labor.

What we earn may take the form of wages to be spent for today's needs, or it may take the form of capital to yield that deferred, prolonged, and greater return which we call interest. The farmer may eat up his consumption wages in eggs or in broilers, or he may hatch the eggs, accumulating capital in the form of a laying flock, but he cannot have it both ways for eggs eaten will never hatch. And of course interest is justified for otherwise he receives no compensation for foregoing today's desires.

Guesses of the share of production which goes in interest lead only to confusion, for the greater part of interest can never be unscrambled from the direct wages of labor. How much of the income of each craftsman is interest on capital in tools—the plows of the farmer, the sewing-machine of the tailor, or the kit of the carpenter? These things are all capital and, used, earn interest, but can figures for all the nation be broken down? The farmer who builds a stone-boat must forego the food which he might have been raising, but the added efficiency which the equipment gives in clearing his fields is interest on the capital produced.

Mr. Davies says that Henry George "failed to note that the original earnings of land provided funds for the early stages of capital investment," but land earns nothing: it only makes it possible for labor to earn. Rent, collected by the landlord, may or may not be spent, or invested as we say, in true capital, but, collected by the state, it is similarly invested in capital, as in roads, schools, or waterworks, and the status of rent is unchanged regardless of who gets it. What part does rent play in enabling the savage to make the bow or the canoe? Capital is always the product of labor, and operations of the market only affect its ownership. Uninvested money is capital only potentially, as is unexpended labor, and stocks, bonds, and bank balances are only vouchers representing real things which may or may not be capital.

The simple fact is that all that man has and enjoys is obtained by labor, whether of brain or brawn. Rent we must always have, as long as land differs

in desirability, for it arises from this differential. It may go into private pockets, forcing the citizens to dig into their earnings to support government, but, if returned to all in the operations of government, such exactions will no longer be necessary and man's labor can be freed from this heavy toll. This, to the writer's mind, is the heart of George's philosophy.—Gilbert M. Tucker.

Corset Isn't

Allow me to draw your attention to the article that appears in the February issue of your magazine under the title "Thomas Paine: Scientist-Religionist" by Ralph C. Roper. I quote a few lines from the 1st column, page 101: "Herschel was a musician; Paine, a staymaker—of ship stays."

In the *Readers Digest* magazine, issue of March, page 78, there appears an article under the title "Tom Paine, Crusader for Common Sense" which article is condensed from *The New Leader* by Max Eastman. From page 78 I quote as follows: "Obscure British corset maker who landed at Philadelphia in Nov. 1774." Again on page 79 we read: "After leaving school at 13 he learned his father's trade of staymaker, fitting whalebone corsets."

So I am just wondering whether Tom Paine made corsets for ships or for the ladies; perhaps you can enlighten me.—H. Hall.

May I offer the following to support my claim that Paine was not a corset maker, and that he was a maker of ship stays:

Thetford, where the Paines lived, was alive with fishermen and fishing boats, and one of the main occupations was the making of ship stays.

Peter Eckler, in an early biography of Paine specifically states: "It is probable that Paine acquired in the manufacture of ship stays, the skill which enabled him to forge and manufacture with his own hands the models for his iron bridge."

The claim that Paine was a corset maker has been of more modern origin. X. Y. Z———, it is quite evident, thought it would help to sell his book to couple it with some of the worst of falsehoods. Hence, he had Paine, at the age of 13, sticking his head up against the "belly" of a 200 pound woman, in an attempt to adjust her corset, and his Quaker father swearing at him because he was not working fast enough! No, a more useful ship staymaker of the Quaker temperament is not as exciting to readers who demand not only jazz language but also jazz sentiments. It may be that Mr. Eastman, in the *Readers Digest* article, followed the lead of Z—— in classifying Paine as a corset maker. Anyhow, it is, I believe, far from the truth.—R. C. Roper.