

PAPER MONEY AND LAND SPECULATION

To the Editor of "LAND & LIBERTY"

Since the war the belief in freedom has been replaced in Continental Europe by the belief in coercion. Democracy has been replaced by dictatorship, free speech by censorship, the remnants of free trade by protection and the gold money of the past by the paper money of to-day. One can truly say that the paper money is the thin end of the wedge of dictatorship. The issue of gold money was based on the idea that the State had to respect the liberty of the citizen to demand in exchange for his work or property the commodity most stable in value and most easily exchangeable. This liberty of demanding a commodity of real value is taken away from the citizen, he is forced instead to take a sign of value issued by the State and he is forced to take it not at his own estimation but at a value dictated by the State. Paper money is, therefore, everywhere the money of dictatorship. It was always introduced in times of war when the liberties of the citizens were sacrificed to the real or pretended necessities of the State. It is to-day as indispensable to war as guns and battleships. To abolish paper-money would mean to make war in our times well-nigh impossible.

The change from gold money to paper money does not spring from a mere change of policy but from a change of mind. This evidently is the reason why in so many countries since the war the idea of land reform has been replaced by a movement for money reform. This has also been the case in Switzerland where our money reformers (Freigeldler) at first pretended also to be land reformers but have utterly lost sight of the land question and are now working exclusively for a pretended currency reform which would take away from the citizen the faculty of exacting interest for borrowed money. Interest is declared to be the great enemy of labour and by forcing the citizen to use only a money constantly diminishing in value our money reformers believe it possible to abolish interest altogether. Of course this idea cannot be realized without doing away altogether with the rest of liberty of the citizen in the handling of money, for if the citizen was left the choice to use gold or foreign money the plan would certainly fail. And it is like an irony of fate that this movement which aims at making the citizens a serf or slave of the State bank calls itself the "free money movement" (Freigeld-Bewegung). But also in this the movement is falling in line with dictatorship, for all the dictators constantly promise freedom and liberty.

Practically the movement works out as a help of the speculators in land. There has been an enormous increase in land values since the war in Switzerland and most people were of the opinion that it always must be possible to sell a house and a piece of land at a higher price than it was bought for. Protection for agriculture has run mad and has forced upon the consumer the highest possible prices which he can pay. But even these prices are not sufficient to cover the interest on the still higher prices of land, and those land speculators who have over-burdened themselves with debt are now in a sad plight. The crisis is frustrating their hopes of a further increase in land values and in order to avoid bankruptcy they are demanding to-day that Switzerland shall abandon the gold standard. They think or hope that the decreasing of the value of money will mean decreasing their debts and will make it possible to sell their land or houses at still higher prices. Our money reformers are supporting

this class of speculators through thick and thin, are accusing interest as shameful usury, are shedding tears for the poor debtors and are decrying their creditors as exploiters of labour. That there is also another side to their story of the poor debtor and the heartless creditor never comes into their mind. They want to abolish the gold standard at any cost and are prophesying that all evils will come to an end if we abandon the gold standard.

It is practically only the debtor class which is in sympathy with the abandoning of the gold standard, but the political influence of the debtors is always greater than the influence of the creditors and thus it comes that the Swiss Government is now proposing a law which in reality has no other aim than to pay the debts of the peasants out of the public purse. The Swiss consumer is paying the highest prices in Europe for the agricultural products of his country, he is also paying the highest rents for houses in order to maintain the high prices of the land and he will now pay additional taxes in order to save the land gamblers who have ventured themselves too far on the ice and who are in danger of bankruptcy. And this system of robbery is supported by our money reformers and socialists through thick and thin. For Socialism has in our country lost sight of the land question altogether. It has converted itself to protection and to the policy of artificially enhanced prices and can, therefore, not oppose a measure that is the logical outcome and end of protection.

At present the outlook in Swiss politics is dark and it seems at present the only hope that the present state of mind will be corrected by hard experiences. Such experiences may then easily lead to a revolution also in our conservative country, for the Swiss democracy is to-day not built on a rock but rather on shifting sand and it is doubtful if it will live still another decade.

Zurich.

GUSTAV BÜSCHER.

FATHER HUNTINGTON

The New York correspondent of the *Church Times* (19th July, 1935) reports the death, after a short illness, of the Rev. James O. S. Huntington, at the age of 81. Fifty years ago this Anglo-Catholic priest, son of a bishop of Central New York, founded the Order of the Holy Cross and became its first superior. As the *Church Times* truly says: "Father Huntington was ardently interested all his life in the social and political implications of the Catholic religion. He was a great personal friend of Henry George, the single-tax advocate, and was frequently denounced in earlier days as a Communist." Older members of the English League will remember the great picnic in Epping Forest in 1890, photographs of which show Henry George (just returned from an Australian missionary journey) sitting in the midst of a large group of members and friends of the League, with Father Huntington at his side. Huntington publicly supported Henry George in his candidature for the Mayoralty of New York in 1886, and officiated at the marriage of Jennie George to Will Atkinson in 1895, the Roman Catholic ceremony being afterwards performed by the famous Father McGlynn. On his rare visits to England Father Huntington never failed to call at the office of the English League, with which he kept in touch till the last. R.I.P.

F. V.

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