

democracy

CHARLES H. INGERSOLL
EDITOR AND PUBLISHER

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with the small "d"

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WORLD FREE TRADE AND THE MARSHALL PLAN ARE CONVERGING

POLITICAL LEADERS AND THE WORLD'S MASSES ARE ACCLAIMING THIS GREAT SOLUTION

CAUSE AND EFFECT ARE REACTING IN THESE tremendous events; and it is not now important to definitely trace them. Here are 19 countries, thru 123 pacts or treaties proposing to enact what should lead to WORLD-WIDE FREE TRADE.

This is the first step in ACCOMPLISHMENT of the Marshall Plan, as generally understood. In briefest terms, this was as outlined by Secretary Marshall to the 67 nations:—"Get possession of your own resources and get possession of all means of distribution of them."

If this 'plan' requires explanation or definition it is that the Secretary, using his LOGISTICS, sees as necessary to every nation in rebuilding after war, all their own natural resources of production; and that they must be VOLATILE in delivery for use; and free of restriction from world-wide exchange.

To what extent the Secretary also saw the absence of these two conditions, I.E. Monopoly of Resources and Tariff Walls as the cause of wars is not in the record. Nor how clearly he sees the only practical way to balanced economics, I.E. shifting taxes from products to resources.

But that brings us to these two great forces that have been set loose by the world's terrific stress which now have converged in a promise of DELIVERY. They are, ONE: a popular determination to relieve world distress—a unanimity in accepting a SIMPLE SENSIBLE PLAN.

And TWO, instant recognition and acceptance without much statement of it; of the only method of effecting the accomplishment of it. The release after years of suppression, of Nature's Endless Stores in the Earth and their Unlimited exchange among Nations.

This process has only started. But it is started and 'democracy' believes it will never stop till FREEDOM ITSELF displaces the Semi-Slavery we are now weltering in.

'PROTECTION OR FREE TRADE' BY HENRY GEORGE

IN THIS GREAT BOOK (\$1 SCHALKENBACH FDN., 50 E. 69, NYC) second only to 'Progress and Poverty', George renders matchless service in (a) making Free Trade integral with Scientific Economics; and (b) demanding that its philosophy shall be completely accepted in domestic statecraft.

This means that the land and natural resources shall be freed from exemptions which make them a prey to parasitical investment. And to act as excuses for taxes on industry which double costs and prices and thus halve production, employment and wages.

The George Science and Philosophy has for its prime object the ending of land monopoly as the sole cause of poverty and war. And essential to his diagnosis is his prescription of the only way of cure which is the removal of all taxes from labor products to land values—or the SINGLE TAX.

The first category of product, consumer or sales taxes are those on trade or exchange 'popularly' called TARIFF WALLS which also enclose the institution of PROTECTION which also enfolds that other institution of MONOPOLY (basic and assorted.) Hence this news of Free Trade Pacts is the most important we, the 2 1/4 billion people, have received in several hundred years.

THE WORSHIP OF MAN

JAMES F. LINCOLN, OF CLEVELAND, has a special talent and education on the subject of MAN. And yet he does no patronizing and recognizes all man's average defects. But with them he also plays his genius for education and development. Thus he has worked on his human mass of 1,000 Asso-

ciates until it is an ideal INDUSTRY. And his idea—or Ideal—of Man is repeatedly given in this Bible quotation:—

"What is man that thou art mindful of him? And the Son of Man, that thou visitest him?"

"For thou hast made him a little lower than the Angels and hast crowned him with Glory and honor. Thou madest him to have dominion over the works of Thy hands: thou hast put all things under his feet."

SPECIAL MAILINGS

MANY ARE THE SUGGESTIONS for sending to groups that should be interested. We always follow when we can. TO MAKE SURE why not send a list and 3c for each name? We will do the job.

WHAT ARE MARSHALL LOGISTICS?

ONE OF THE SECRETARY'S many biographers used this military term to describe his plan and his great power in presenting and making it perform, tho this writer had little idea of its scope. To see what is demanded in a situation and see how to get it is this definition.

Holding to this position—and seeing it thru is the simple formula that the military training will make Marshall successful. Common sense makes it evident that the Secretary thought it's in Imbalance of World Resources which causes all ways, small and large.

It is equally obvious the dual causes of domestic monopoly and restricted trade facilities must be removed to install peace in place of war. Nor has the Secretary's direct processes kept him long from seeing that the method of accomplishing both possession and transportation is a singular and natural action.

It involves but a minor and simple change in the taxing process—the removal of taxes from where they do, immensural—where they should be the U.S.A. and that would be the U.S.A. where they will reverse all these evil conditions and effect only a few parasitical monopolists of resources.

INCENTIVE—MAN—MANAGE—MENT—PUBLIC

THE INCENTIVE SHOULD BE the public and is, in Mr. Lincoln's Ideal Formula—ideal because it has been working perfectly for a half-century. This defines:—public as the Consumer—that leaves NO ONE out. The Consumer PAYS ALL. On his paying-power then depends all—both man, management and their incentive—and that depends on low price.

Ability to earn depends on opportunity, which depends on consumption, a quantity proposition: for the consumer buys all he can pay for. So the lower its cost to him, the more he buys. The more we turn out at a certain cost, the greater our opportunity at this unlimited consumer INCENTIVE.

There can be no 'difference of opinion' about this; we must work together as a unit to this end. Our relationship must be so understood and refined that we literally have no differences that affect this object of lowest cost, which of course includes highest quality at that price. This 'system' therefore is an absolute reversal of the 'philosophy' (a fallacy) of the union as designed by Marx.

This 'IDEAL' should be clearly understood by every adult using his 'commonest of sense'. This is the easiest way to understand it: take any task and follow it thru to improvements and see how the human action, assisted by facilities, effect results; and how impossible it is to draw any line where labor can be distinguished from the human element in management.

ABRAHAM LINCOLN

THE ART PRESERVATIVE

WHO WANTS WHOM TO HAVE HOMES?

'WE' HAVE ALWAYS DISPLAYED much sympathy with Jewish racial homelessness, as a precedent: but the Fortune article points to many nations now in as distressing condition, mostly due to our two world wars, especially II. So as Freedom of Trade and Immigration are plainly logical as remedies, why does Fortune hold aloof?

If these two FREEDOMS could be determinant in placing untold millions of first-class people in permanent homes they would do it only thru doing other and even greater things. They have long been recognized by students of war and peace as first, if not final, steps in effecting international peace, where everything else seems futile.

My question is—and I am putting it directly to Henry R. Lane, the titular head of this and other equally great magazines—"How can you evade responsibility for using your influence for these solutions, unless you desire to have these conditions of HORROR continue?"

And it is not the rich to give the poor, what politicians steal; the individual as it were, in line with your action, with almost the certainty that this combined effect on public sentiment would forthwith block world-wide gloom now setting in, by removing its prime causes?"

WHAT ARE INCENTIVES FOR FREEDOM?

WHY NOT FOLLOW BOB INGERSOLL logic of 'catching health instead of Disease'. A lot of people are paying big money for advertising space in social, religious and moral appeals, all unorganized. Does not that segment of intelligence and influence represented by the PRINTED WORD in the USA owe an effort to society?

Do not Freedom and Liberty alone constitute a problem to the 145,000,000 readers of U. S. A. which PUBLISHERS might combine to restore and maintain? What force can be conceived greater in this cause, with such facilities, with such reasons for freedom to be dominant? With such facilities to get at the TRUTH concerning all our liberties? If protection protects subsidy and monopoly and impoverishes everyone else, who but publishers should know and end that hypocrisy?

And who but them should act on this article's advice that the tariff wall was also the immigration wall? WHY in fact can publishers possibly see our civilization slide into a decline and out of sight while they spend billions of cash on printing which COULD SAVE CIVILIZATION but which has no particular effect unless to help it DOWN?

hoping that the followers of George will accept this statement, or a better one if it can be devised, as to what they stand for."

HUMAN FAMILY HOMELESSNESS

THIS SUBJECT IS BROUGHT before us for possible attention by the optimistically named millionaire's magazine 'FORTUNE' in a 10-page piece by Herryman Maurer—a good example of the many futilities of our overwrought literature—not because of unimportance of subject or lack of author-ability But:—

Because it develops no viewpoint looking to progress. It simply stirs up the present mix of incongruous, hopeless facts, only lightly, if at all, touching on possible solutions. The burden of this story is international and in two phases:—millions who need to move and can't and equal millions who must move but don't want to.

Here is a capable writer with all the facilities of expression: charts, history, statistics—leading his readers constantly close to the simple and obvious DUAL SOLUTION of Free Trade and Free Immigration but never discussing it affirmatively—only furtively saying of course they are too remote, etc."

This, like most other tremendous 'what seems to be'—steal it from the rich to give the poor, what politicians steal; the individual as it were, in line with your action, with almost the certainty that this combined effect on public sentiment would forthwith block world-wide gloom now setting in, by removing its prime causes."

JOHN C. LINCOLN, INDUSTRIALIST

HENRY GEORGE ECONOMIST, Oct. 29, 1947. This date is the 50 year anniversary of the death of America's Greatest Statesman and Economist; and its celebration by a Memorial Address by President Lincoln, of the Henry George School at 50 E. 69th St., N. Y. C.; and also the founder of the Great Lincoln Electric Co., of Cleveland, in the late 80s, which his younger brother James F. Lincoln has brought, with its thousand workers, to the most advanced industrial position of any existent.

The death of Henry George, Oct. 29, 1897, was one of the most spectacular and tragic of any man in public life. It came as a climax to a career of authorship of works which brought a new science, Economics, into the practical field of industrialism and the only solution of its problems. George, when suddenly stricken, was running in a campaign for New York Secretary of State. After a few years previously running against Theodore Roosevelt and Abram S. Hewitt for Mayor of N. Y. C.

Mr. John Lincoln had recently printed a new concept of the George Philosophy in 'The Henry George News', of which this is a quotation:—

"The PRIVATE collection of ground rent produced by the presence and activity of the community is the chief cause of unemployment, poverty, depressions, and the unjust distribution of wealth. This is a very condensed statement of the conclusions arrived at by Henry George in his book 'Progress and Poverty' and I am

There are two kinds of Democracy: Political and Economic.

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CHAS. H. INGERSOLL, Editor and Publisher
1165 Broadway, New York City



CHARLES H. INGERSOLL

50 years an industrialist and student of Scientific Economics. Co-ordinator, in 1892, of the "watch that made the dollar famous". 500 million sold. Record broadcaster and lecturer, Economics and Taxation, nearly every State. President National Tax Relief Association. Ed. "democracy", 1165 Broadway, New York City.

'GIVE ME LIBERTY' LANE

Pamphlet 65 pgs., 25c. Low New Box 10, Sta. C, N.Y.C. Rose Wilder Lane, I'm reviewing this booklet from curiosity, as my passage-at-arms with this brilliant reviewer for the Natl. Economic Council has prejudiced me: because she attacks democracy, denies there's any Society and calls Henry George a Socialist.

Her Foreword starts things from

property which Public Ownership denies. No one owns public property.

This, if it is anything, is the RUGGED kind of individualism which is the kind that excludes everything but itself from SOCIETY'S picture. In fact as you will note from R.W.L.'s words, There is no such thing as Society. And I think I have just discovered what is wrong with our brilliant author.

She is an EX-MARX-COMMUNIST. Her first words, page 1, make this confession. She evidently recovered from the Bolshevik varioloid in 1919 but, failed during the ensuing 28 years to learn any essentials of Political Economy.

NO LIBERTY WITHOUT SOCIETY

JUST EXACTLY AS THERE is none without the free individual. But you can't get rid of Society by trying to disembody politicians or bureaucracy. Nock denounced the State as our Enemy which still left us government to try for and with the object of realizing our social ideals—SOCIETY.

Somewhere Mrs. Lane has made the ridiculous break that 'there is no People' meaning, of course, that there are none as a separate collective political force. That is just what people are and principally all they are, as contrasted with the same people individually.

Individually people do all the work, produce all the wealth and should retain every cent of it; whereas half of it is now taken away from them in taxes that should be paid by SOCIAL EARNINGS but which now stick to the pockets of MONOPOLISTS.

So, Mrs. Lane instead of jumping from Marx Socialism to NOWHERE where she now floats—if she had run across a few pas-

DEMOCRACY—REPUBLIC—CONSTITUTION

'democracy' (WITH OUR LITTLE 'd') is a principle which includes economic justice. Our Republic is a form of government presumed to put democracy into operation for the benefit of all. The Constitution, at least partially recognizing the vicissitudes of democracy, presumes to agree to compel our law to keep special interests from nullifying justice.

Democracy is best defined by our Declaration of Independence: and in those few words: Guarantee of life, liberty and pursuit of happiness'. This GUARANTY has never been subjected to a test of logic, science, justice or commonsense. So it is possible for defenders of the Constitution (as is and as amended) to say it has fulfilled its mandate.

And of course the Republic is in somewhat the same position. Both it and the Constitution have battled thru almost two centuries, most of the time over either platitudes or monstrosities which always kept us accumulating 150 million bodies in most precarious position economically.

So, as to the let? We are of the Human Race: and as such we can hardly claim a decent status. From the position of that DECLARATION and GUARANTY we are as nearly a total failure as possible, if not abject. 'We,' GOP republicanism and the Republic (including N.D. big D) Democracy.

ANTI-INCENTIVE IN EDUCATION

WHENEVER OUR EDUCATIONAL system breaks into print it usually shows its yellowish, pink-

the war of teachers' pay of whatever kind. And the whole institution seems upset by it.

It (Merit Pay) is not fore-square with the ancient Marx Combitzen, Internationale principle: 'from all according to what he has; to all according to his needs'. It makes feather-bedding very awkward. It would perhaps be the first step in cleaning our educational house which is so largely, in the last generation, turned over to the interests of collectivism via fellow-travelling and united-fronts.

1600 teachers (2 from each of N.Y.C. 800 schools) revelled in reasons supplied from State and City officials why incentives such as everyone knows produce transcendent results everywhere else cannot possibly work with teachers. The reason is given above and reaches to the very top, where Generals fit top places best, text books on economics are all pink and billions are produced from unearned increments of land-speculation.

HEADLINE 9% GOOD NEWS!

THAT'S THE DROP IN AUGUST sales of N.Y.C. stores. Is this pessimism? My reason—and reasoning—is that INFLATION must have the punishment of deflated demand to cure it. The direct cure for inflation, however, is reversal of the original cause which has advanced COST of production, due to TAXES levied thereon.

This reversal would require removal of all such taxes to monopolized Natural Resources. Without such tax relief deflation may bring on depression and panic.

sages of common sense ECONOMICS of Henry George's or any of his students, she would now enjoy a multiplied reputation of BRILLIANCE.

THE AMERICAN SOCIETY OF PHYSIOCRATS

TO HELP GET THE PHILOSOPHY AND SCIENCE OF ECONOMICS CLARIFIED

THE PHYSIOCRATIC SOCIETY OF AMERICA

I AM PROPOSING THIS ORGANIZATION, or reorganization, in the interest of Economic Science. This word is defined by Webster as "A Physiocrat is one of the followers of Quesnay, a Frenchman, who in the 18th Century founded a system of Political and Economic doctrine based on the idea of the supremacy of the natural order, and they emphasized the powers of nature as the science of public wealth and national prosperity, and thought those natural laws should not be interfered with."

I arrived at about this stage several years ago after considerable correspondence with a number of friends who agreed with me

as to the need of such a movement, intended to stabilize, standardize and popularize this quite new Master Science. At this juncture Francis L. duPont interposed and I gave the reins to him. What stage he had arrived at before his recent decease, I am uninformed, tho he made me Vice-President. I don't recall any meetings, tho I urged action on him. However I found him more interested in some ideas of his own than in clearing up a science.

My plan of action is to adopt a suitable method of selecting subjects for discussion, deciding and publicizing conclusions. And a plan of membership admission which would eventually obtain for the Society the respect of all who are interested in any phase of basic economics.

MILITANT BUT NOT MILITARY

THERE'S PLENTY OF ROOM for clear-cut opinions nowadays and backbones and militant demand for execution. But that our need for things done and for right things, should find us in the confines of a military government or MILITARISM, is a part of our sad fate.

As eventual as present world-conditions are, and as weak morally and physically as we are to meet them, we could do it, I believe, if we could hide away the guns, atomics and generalists.

I don't happen to be a Christian Scientist, but I am inclined to join them for practice now. And I should go further, on physical lines and prescribe a trade of friendships for battleships in the form of Free Trade. And also to lead taxation of Monopoly alone into every country.

WHAT QUALIFICATIONS FOR PHYSIOCRACY?

SEEMS TO ME FREEDOM BEING our goal nearly anyone desiring to study economics with us should be welcome. 'Self-assessment' (hereinafter defined) is an interesting subject we might some day discuss: meantime we might adopt it to help answer above question.

In fact the question may lead to another not thought of before:—the idea of The Physiocrats becoming a Teaching as well as Learning Institution. And still another: why does it seem so difficult for Schools (say our 1500 colleges and 12000 highschools) to find out what to teach?

However, our ideal of freedom should not take us to pure anarchism at one jump; so it may be some time before a neophyte will be qualified to vote on the settlement of a moot question. That will depend on the facilities and procedures we are fortunate enough to evolve. As I see it, at present must be a large proportion of our members come to a mimeograph stage, which should lead to printing. Meantime, not only the theory but practice of democracy might find very broad application to this question of value of members—as well as value of the Society to its members. This certainly bears on the vital question of POPULARIZING ECONOMICS.

HOW INITIATE DISCUSSION—SUBJECTS?

ESPECIALLY WITH BROADENING plans this might broaden. Popularizing economics concurrently with making them more scientific and exact, might be thought inconsistent. And so too much discussion of too many subjects by too many people might also. And maybe we are already getting the answers—democracy, you know.

Suppose we got to the possible extreme of general discussion of the 6 moot questions propounded in No. 89, restated later. An inconsistency may be in the type of questions answerable by neophytes and hardbilled economists: which takes us into the 'popular' field ahead-of-time perhaps.

But we have to learn all there is to know about this new approach to a new science, so let us get busy. We don't want to spend 10 years necessarily evolving a text-book or primer which some one of us might be smart enough politically to plant in the 12000 highschools we have roasted so much.

This might be stated as the great object of 'PHYSIOCRACY':—to boil Economics into such few and simple tenets that 10 year olds would easily find them intriguing, and more easily and clearly understood. And then break thru the resistance of political bureaucracies called school boards with some real economic text books!

ECONOMISTS LET THINGS SLIDE, TOO

WITH MY BROTHER, I ONCE owned three large plants of finest precision machinery, used (still used) making 30 to 50 thousand watches a day. The nature of the production was of such refinement that the machines must be kept in perfect order. They could not be let run down and then be repaired.

That is the way I think the teaching of the Science of Political Economy should be conducted. And I know of no sensible reason of why it should not be. From the academic view especially, this science is capable of greatest simplification and certainty of formulae.

'Let George do it' however has been in full charge of teaching policy, with the result that very little of either respect or progress has been realized in the various branches of the economic movement, especially schools, the much effort and no mean amounts of cash have been expended.

Henry George and Karl Marx are the two contending forces in modern economics. That the latter has maintained any standing there-in is the most natural commentary on management of what are known as Georgian Economics. Marx, with no science in his economics (if any) comes nearest to ruling the roost.

WHAT WORK FOR PHYSIOCRATS?

IN THE SHORTEST WORDS: It should set Georgism—both Economic and Philosophic—on its feet. And to do it by force of facts, abandoning all personal favor and adulation. The 'facts' represent my high estimate of George, in spite of many corrections I would make in his works as teaching texts (as of any human person.)

George never even attempted to say what he would teach in economics. The only authority for that was Oscar Geiger, who never pretended to be an authority; but is entitled to monuments for beginning the teaching of economics with what he had. All he needed was a Society of Physiocrats to work hard a year on a text.

A alternative to Physiocrats would have been a committee of six or seven of our best seasoned economists, which of course means Georgists, and whose names would almost automatically fly to place, and who would do such a job to perfection.

Well, it did not so happen and the economic muddle is worse and worse. So that to the honored six or six, if there are so many that can and will THINK INDEPENDENTLY AND WISELY, let us hear from you with a request to inform you fully as our plan progresses. This move is not so much to correct anyone's economics (tho there's much of that to do) as to find what to teach and how to do it.

'WORST' PEOPLE NEED MOST HELP

CIVILIZATION LEADS TO some very cruel things. We are justly proud of our courts of law; but criminologists are always working to improve them and have them render more exact justice. In their efforts on all classes and especially in our post-war periods, defenders of 'exact justice' will tell you: 'it's the criminals own fault.'

But that defense begs the question of true criminology which should be constructed on the principle we have headlined. The Law can't stop its work to do charity of conventional kind, but it should be equipped to reach into the dregs where its work is laid, and give hope to the lowliest and hardest. And the lower and harder the case, the more efficient should the officials be in giving the help.

BEST PROOF COMMUNISM IS BAD

IT IS EVERYONE'S DENIAL of being a Communist. I've heard at times simple enough to wonder why certain people so strongly protest their innocence of this cult. Indeed very heavy damages have been claimed for making this charge.

And usually these protestants ARE reds; not always by party designation nor of open admission, but in every other respect. GOPs, New Dealers or members of any Church are not often found denying their affiliation. Must be a bad case of guilty conscience: and lack-of-honesty complex.

CIVIL LIBERTIES AND COMMUNISM

BEING ALWAYS FRIENDLY with the leaders of the C.L. UNION, notably Messrs. Hays, Baldwin and Holmes, I have observed its trend toward the many Marx-isms due to the fellow-travelling tendencies of 'liberalism' in general.

I have commented that the 'liberties' demanded in late decades have been for and by SUBVERSIVE movements more than for our own sacred principles. NOW the Union issues an 80 page annual report which seems to throw quite a different light on work they have been attempting—and which I am to read.

HARRY F. BYRD, ECONOMIST

SENATOR BYRD SETS AN example to senators which if generally followed would speedily convert 'Our State' from Enemy to Friend. He is chairman of a 18-man joint committee for reducing federal expenditures. He has been doing this since '41 and saved \$6,209,000; has spent only \$100,000.

But he has been out of funds for some time and is going right on. So that should be called The Economy Committee and Mr. Byrd should be the founder of a new science and ISM—the ECONOMIST.

INDUSTRIALISM AND INDIVIDUALISM ARE INSEPARABLE UNITS

THIS BALANCES THE UNION AND MARX WARFARE ON INDUSTRY, AND SHOULD BE FULLY UNDERSTOOD BY INDIVIDUALISTS

INDUSTRY-ISM INCLUDES ALL LABOR OR WORKERS with hand and brain, and all facilities, tools and organization of capital. And the Individual-ISM includes every separate single person AND also in their collective, social, gregarious relationships as well—thus they compose SOCIETY—100%. Both ISMS are dual within themselves and dual to each other.

Many individuals, especially the RUGGED ones, think they have no responsibility to Society. But as 145 million individuals are the population and society of the U.S.A., this fallacy is obvious and its consequences should and will be. Similarly Marxists and Unionists claim capital exploits labor. But Industry COMPRISES equally labor and capital: in fact capital is composed of labor.

So exploitation of labor may be more by union racketeers than by employers who are themselves exploited by the taxes taken from them and employees to exempt land monopolists. This explains why industry can only exist if and when the ambition of Individuals is solely responsible for it, which can only be if the TAX-LOAD is taken from it and its partners (labor's) and its customers (consumer's) backs.

Individualist Industry must provide and maintain an Incentive or Piecework System for greatest possible success to all parties of present Industry and The Consumer. And eventually these three factors must combine in untaxing themselves by shifting all taxes to the now monopolized Natural Resources, vital to greatest production.

AN ADVENTURE IN SOLUTION

REASONING POWER AND SOLUTION

SO—SOCIALISM COULD BE THE SAVIOR OF INDIVIDUALISM

CIVILIZATION IS IN A DANGEROUS situation. And we know its dangers cannot be without cause or reason and we believe we modern humans are sane and logical: but we apparently are courting danger of DISsolution for lack of effective solution: We Just Don't Use Our Wits!

Is not the very statement of our trouble as above and as slightly amplified, a specific indication of where to look for the cause to be remedied? Danger to Civilization, Economy, Society, Industry — those are our obvious subdivisions of our human activity for the purpose I am citing—to cover possible differences in words.

Now I would like to adopt another standard that should facilitate this new adventure in 'inquiry', where my whole theory is TRAGIC FAILURE: — May we not, at least for a good bold start, adopt only the AUTHORITY of Common-sense and Common Knowledge?

This requires the further agreement that our facts, processes and conclusions shall be so simple and obvious that there cannot be logical or reasonable disagreement. Nor can there be need for authority from any of the 'learned professions', professors, thinkers—or even economists or scientists.

IS THIS A NEW EDITION OF 'KNOWNOTHINGISM'?

TO ANSWER THIS, LET'S start along and see how far we can go alone.—Til lately our first conclusion that society is in danger of dissolution would have been challenged. But now we may safely say it is common-place or obvious. We hardly need to re-assert it. Later we shall base statements on it, but now let's say we agree—

That our Country and our World are in danger of the same breakdown in chaos as many other 'civilizations' have had. I next propose: (2) we agree that our danger is wholly because we have not provided for normal administration of the affairs of our society.

We have, on the one hand, directly and specifically provided for the interests of INDIVIDUALS, both 'great and small', even in our Constitutions and Bills of Rights. But on the other hand, we have left provision for collections of individuals, in what are known as Society, only to self-appointed theorists called SocialISTS.

This default of SOCIAL MANAGEMENT on our part has resulted in (a) attack on our Individualist System by Socialists (under a variety of names) which constitutes the present principal threat to our society. And (b) the building by ourselves of a wrong economic and fiscal system which completes the work of destruction, designed and presented by collectivist.

THIS IS SOMEWHAT A stress of words, and less:—If Socialism were not false to its name —if it were the ownership by Society of all Society creates and leaving to individuals all they produce, a more-or-less 50-50 SOLUTION would automatically occur.

This Individual-Social problem is so apparent and far-reaching that it must be restated until it is plain to everyone. While the fault is our failure to care for the Social, its repercussion is on us individuals and all our vast interests. For our social debts are being gathered in by collectors (Socialists) with no social concept.

Let our metropolis illuminate:—3 million individuals should be in control. Their competition has created \$8 BILLION of social value in the land which should carry all the taxes. This is what both real social-and individual-ists should demand. But both being RUGGED the individualist grabs it and the collectivist wants to grab all of it and everything in addition to it.

Now common-sense, is this not clear enough as a sufficient cause for our big complex—where these two opposing yet identical interests are at war over the total estate, half of which was produced by labor and capital and the other half automatically created by society or all the people?

SO FAR SO GOOD!

WE AGREE:—(1) SOCIETY IS in vital danger (2) because we have failed to give Society the same protection we have the individuals who make up Society. We know how to deal with murder or robbery by individuals BUT similar crimes committed on or committed by Society we have left to the so-called SocialISTS.

This might indicate our job as that of Socialists or Socialism. But we, as Individualists, might better keep the job in our own hands, especially as we were here before they were and in fact and frankness, we might admit that our failure to provide for Social needs

TOM C. CLARK AND BASIC MONOPOLY

'democracy' IS ALWAYS watching for this kind of monopoly to come up OFFICIALLY for discussion, knowing that when that happens it won't be long before the vital question of WHO OWNS THIS EARTH is settled. Now the Atty. General of the U. S. A. is actually throwing it in to the ring.

Last June the Supreme Court ruled that the Oil Tide Lands (from low-water to 3 miles out) did not belong to California but to the U.S.A. So Clark proposed to take possession of our 'property', referring in all measured terms to basic rights and to the state and others as trespassers.

Now of course as anyone knows, we don't need to go 8000 miles for the most obvious cases where U.S.A. owns Natural Resources. Hence that the Atty. General cannot get the possessions he seeks without processes which would also give him every mine and foot of mineral or oil land in the country.

This is only one of many incidents of similar import in the U.S. and other courts. Our Constitution of New York asserts that all our lands belong to the State. California in its Reclamation Act has asserted the state's rights to its lands.

HOW TO HANDLE BASIC MONOPOLY

J. RUPERT MASON OF SAN Francisco (1920 Lake) is the best authority I know on the economic and legal aspects of Basic Monopoly: and I think he will give us an interesting discussion of just where we stand in progress toward getting our fundamental rights.

This brings us to a debate that among our economic teachers. So far as the language of Mr. Clark indicates, it would be the U.S.A. idea to take possession of their oil wells and go into the business of pumping, refining and distributing and selling oil.

On the other hand it might 'get possession' and collect a nominal royalty, having only 'trivial relation' to real values. The public interest demands that all responsibility of administration be avoided save accurate appraisement and the collection of the full value of the product. As it rests in nature.

OWNERSHIP is the much-misused word to be fully defined. 'Common Ownership' is the USSR way of officially monopolizing its land, expropriating it from its users: and some of our economic teachers use this phrase. But our economics call for no disturbance to present owners and users. But only for the payment by them of the full natural value, royalty or economic rent, to our treasury.

WE HAVE TWO-WAY PRODUCTION of wealth, by labor and capital; and three-way division of the products: among labor, capital and monopoly.

was the origin of this modern (Social) ISM.

It may obstruct our somewhat 'over simplified' adventure in solution, to have rugged individualists at this point display their inability to see that individuals are also members of society: and that the more highly educated and cultured they are as individuals, the more indispensable is SOCIETY to them and NECESSARY Economically.

For there is where we must join in our THIRD Agreement.—That Individualism is also crumbling, because Society is. Can this be doubted when individuals sponsor an economic system which permits the VALUES created by society to be OWNED by racketeers and monopolists, instead of by SOCIETY?

Production and Distribution of Wealth

REDISTRIBUTION OF WEALTH

GEO. SOKOLSKY GETS THIS basic question in the ring: and the discussion it needs. He quotes Jimmy Roosevelt and Larry Spivak of 'American Mercury' as being much confused, in the 'Meet the Press' broadcast, as to the commy desire to join or end, our 'way of life', whatever that is.

George picks up Jimmy's agreement with 'Commy' views on 'distribution of wealth' as being 'juvenile' because they don't propose that: and goes to proving it by technical distinction, partly OK, between wealth and sources of wealth. But they do want to do that and DON'T know these distinctions.

Let's get it straight! They DO want to grab all wealth AND ALSO the sources of it or Resources, all of which they want to add to their bureaucratic monopoly. Now, they have no right to touch any wealth because it is produced by Industry which is labor and capital.

The RESOURCES also they HAVE no right to grab. BUT if they knew the true meaning of their name they would demand and TAKE on behalf of the COMMUNITY or Society all the Natural Value of the Resources in the form of ECONOMIC RENT and disturb no one in possession of land, so long as they paid its rent to the treasury—where it would displace all the present taxes that double living costs.

MISAPPLICATION OF PRINCIPLE

J. RUPERT MASON OF SAN Francisco, a sound economist, in referring to one of our best industrialists who seems utterly confused in economics says:—"he is apparently where I was a few years ago when 'I saw the Cat'; I thought big land values were a sign of general welfare."

I also have been discrediting land values in about these terms but am concluding that discrimination is necessary to refine our economics as well as to simplify them. I think high land values are 'per se' good for the body politic and body-economic, so long as they do not rise to the above-land-value level.

I think this error is on a par with the broad denunciation of RENT in ALL our text books, as a cause of high prices, low wages and general decline: when legitimate rent can have no such effect. It must either be excess or monopoly rent: and of course, always private collection. Land values are no sign of ill health.

It is only when, aided by private collection of them instead of payment to the public treasury, they mount beyond legitimate rent, that they become monopolized and do the damage popularly charged against them.

HOW STRONG IS AMERICA? 'H.T.'

THIS WAS A BOLD STROKE of our big daily—to show what it is all the big taxes, the big loans, big debts, big wars and big aids, are BASED on. And what it reflects in the other 66 nations. They started splendidly with our Natural Resources.

But whether they put the wrong man on the job, or gave him wrong directions, their coverage is now so diffuse that I think they may miss the BIGS I have mentioned.

This check-up is on financial strength and while that may finally involve DETAIL of every sort, its first concern should be BASIC ASSETS—our land and natural resources which should be set up as our primary tax-source—but perhaps not by 'H.T.'

MORE DISTRIBUTION AND REDISTRIBUTION

FRANKS MR. SOKOLSKY, let's keep on getting this straight. It is the most mixed-up in all economics. Wealth has not only not beenched up, but it is MISLABELED. And we have a very perfectly organized means for MISdistributing it.

'Wealth' is only made by human hands and mind (made also by those hands and used by them); natural resources or land, hence, are not wealth. Even our Constitution fails in this definition and it is its most crucial failure. It is the precedent for racketeers getting something for nothing, and it is THE EARTH ITSELF!

If Socialists or Commys realized this, they would change their base or their name. And if Individualists realized it, they would do exactly the same. For all wealth is justly privately owned because privately produced. And no individual may own the resources, because a Creator or Nature created them, Society gives them all their value. And OWNERSHIP only gives title.

If Individualists were as smart as they think, they would see that all the income from land, or rent, were paid over to the state (25 to 50 billion a year) because they would then have no other taxes to pay. And of course if Collectivists were smart they would lay no hands on private wealth but take ALL the 'public' wealth or land values for all society's or government's costs.

THEN WHAT IS THIS DISTRIBUTION, EXACTLY

STEALING IT, BY MARXISTS. Letting others steal it by 'us'. In other words, if Commys don't steal it from 'the rich' to give 'to the poor'—(what 'the rich' steal): the individualist politician 'steal' half of as it is produced by industry (labor and capital) by way of taxation.

Marxists have the obsession that they can clean up all the wealth and distribute it and that they ought to do it. We, (Individualists) while alive to the Commy horror of stealing our private property or wealth, pay no attention to our obligation to pay all socially created values, or land values, to Society.

And this failure of individualists to pay Social Values for Social Needs leaves our government without its normal source of all income. So government takes \$25 to \$50 billion a year from products, doubling their cost and price and halving buying power, business volume, jobs and wages.

And this is what is called distribution of wealth and very bad distribution. The fault being that after the wealth is produced by labor and capital, the tax gatherer calls and takes away half of it. So the fault of distribution is the demands of government. And, of course, all of us are behind the government and must get busy and change the ridiculous tax that taxes ourselves and EXEMPTS our worst enemies.

THE VOICE OF FREE TRADE

END OF 4 MONTHS 'PARLEY' at Geneva of a 'preparatory committee' of the U.N. on International Trade, voices much encouragement that this most vital of all subjects is getting disentangled from its age-long embargo, when even the words Free Trade have scarcely been uttered.

U.S. and British delegates give very optimistic reports of the extent their principles have been gratefully received by a majority of nations and those most needing the help of this Freedom. The adjournment is to Mexico City in November '47.

ONLY PERFECTED ECONOMICS CAN SERVE OUR PRESENT EMERGENCY

TO PERFECT SOCIAL SCIENCE IT MUST BE SIMPLE AND REDUCED TO A COMMON SENSE BASIS

WE NEED ONE MORE REFORM

THAT IS A WIDER AND MORE POPULAR UNDERSTANDING OF A RATHER NEW ECONOMIC SCIENCE WHICH HAS A CONTROLLING INFLUENCE ON ALL THE MATURE PHYSICAL SCIENCES. IT SHOULD BE CALLED A MASTER SCIENCE. IT HAS ALL THESE NAMES:—ECONOMICS, POLITICAL ECONOMY, POLITICAL SCIENCE AND SOCIAL SCIENCE AND MORE THAN THAT MANY MEANINGS AND DEFINITIONS—to various people.

The understanding is quite general that Economics, (which we use for convenience,) relates to Wealth Production, which being production of everything everyone uses, and which all labor and capital do—comprises about every individual and all their tangible interests. So as DISTRIBUTION of that wealth is also included in production. Economics is doubled in importance.

In fact that inclusion is what gives this 'production' its vital and emergent importance NOW! For all the mature sciences have so perfected the physical productive processes as to leave little to ask in these processes: as for example so often referred to in our war-time production. But the 'distribution of wealth', the product, has gone on hit-or-miss with no scientific aid, in spite of revolutions and labor-caused wars.

We may now make the first use of our new authority, Common Sense, in this new solution or economic reform. As stated, industry which is labor and capital, does all the producing and this new authority says they should DIVIDE ALL THE PRODUCT. But the old 'authority' (note quotes) gives at least half (25 to 50 billion a year) to the tax collector so that monopolized natural resources may be exempted from all tax.

THIS IS A STICK-UP!

FOR MY WHIPPING BOY L. D. Beckwith of Stockton 'Forum' my text is his No. 5141 Oct. 2, 47 (\$2.50 a year and some bargain!) Specific reason for calling him thus, while boozing his paper is that like a few who get 'name-effect'. Usually the lash is on economics: this is mechanical!—He prints a 'blanket-sheet' (size of N.Y. Times) on his own 'flat-bed' which he runs himself in his own home-basement, so has no need for often mailing the paper or too cheap ink. This mechanical crime has continued for 25 years.

Having protested repeatedly per letter I now proceed RADICAL-L.V. Why, only a few weeks ago 'answering' one of my economic jobs he had some very flattering lines for me but falling into this fated section I did not see 'till a friend sent it—and then couldn't read.

To one of my complaints he gave me a column of his experience in the 'art preservative' implying that it was a novel subject to me, when likely I have paid for 1000 times his output. So I trust my next comment may be devoted to economics.

CONSTRUCTIVE-CORRECTIVE CRITICISM

THERE IS NOTHING WORSE than fault-finding. And nothing more important and justifiable than fair and constructive criticism. This deal principle I hope measures the worth of democracy and what I write for it. Quite often I put to test what I now say in the case of L.D. Beckwith, Editor of 'The Forum' of Stockton, Calif.

Beckwith is perhaps the most prolific, as well as original and profound, author of economics since Henry George who left us in 1897. For 50 years I have read his papers and pamphlets and always as a humble student, and often also as a critic.

The I take issue with some of his major premises I find our differences are most frequently verbal or methodical and in results therefrom, for which I am on more or less sharp lookout. Here I happen across an example worth noting. In his 'Forum' page 5, 139, 9/25/46 and his tax broadcast No. 10 he tells his interlocutor that Unions can't help him because the title-holder reduces his wage by the amount of the rent. I say this is fallacious because this rent if economic or normal has given this worker access to land which has given him increased product exactly equal to said rent.—And Mr. E. has for years been proclaiming that there is but one kind of rent.

ECONOMICS—AS IDIOSYNCRATIC AS ANY

HERE IS A RIGID SCIENTIST in Stockton, Calif. L. D. Beckwith, who has for 50 years taught Economics as a Science as exact as any. One of his specialties (which I call an idiosyncrasy) is that whatever rent (of any kind, but specially referring to the ground rent or economic rent) a merchant pays is added to the price the customer pays for his purchase. I like to call down my scientific friend (of nearly a half century), taking a little dip in science myself — this-wise: — the merchant pays his ground rent in response to a demand created by all the people which gives that ground a value called 'land value' exactly equal to what the merchant can make by occupancy and use of that ground.

Now you readers, of sound common sense, can you see any chance for Mr. Merchant to add anything to price on account of that transaction?

WE HAVE TO UNPAINT THE LILY THE CONSUMERS (EVERY-ONE) will get twice as much for every dollar. The workers will have twice the demand on their time and twice the pay. Now who is there to ask for anything more unless it is Our Precious Parasites whom I've estimated are not more than 3% in our 145,000,000; and I don't see anyone in this audience holding any brief for them.

What is involved in my plea in these few paragraphs? Quite a lot: let's see. (1) Exact Scientific Economics. (2) Realism. For example: apparently L.D.E. attacks 'title holders' and H.G.S.S. land-owners' following along USSR lines of expropriation. So popularly we are known as Commies, or at least fellow-travellers (and don't we deserve it?) (3) If SCIENCE can't do better for us, let's trade it for COMMON SENSE.

But Henry George is accredited with placing economics on the scientific footing as exact as any, and it's not fair to have paraxlers like L.D.E., or sloppy text-writers such as H.G.S.S. employ, drag a great movement for world-wide redemption into the mire of rabble-rousing and revolution.

The main value of this discussion is to provoke improvement of teaching facilities presumably in TEXTS. I think there can be no logical question that Economics, Political Economy, and Social Science demand SIMPLIFYING, CLARIFYING and POPULARIZING. And also think that my nomination of a Physiocratic Society of America is a good approach to that job.

WHO TEACHES IMPROVEMENT BY LAND OR ITS RENT?

IN NO. 37 AUG. 'democracy' I wrote at length on the fallacy and heresy being taught by all our economic schools on the subject of RENT on the land that produces it. It is being taught in all these thousands of schools, classes, texts and literature that these natural elements, per se, make high costs, low wages, poverty, etc.

The my authority is the highest I shall need to, and do use only that of "common sense," so simple are the facts and logic. My reasoning is that there being no record of a price ever being paid for land originally there, can be no such thing as payment for its ownership or rental except to some usurper, speculator or monopolist whereby it loses its quality of RENT and becomes LOOT or monopoly rent.

Another support for my claim of no rent in price is that no economic rent would be so paid because it is the measure of greater productivity of land, which land therefore yields exactly as much more as the rent. Another is that prices are usually lowest where rent is highest.

I have divided the honors of teaching this economic fallacy or heresy quite equally between the Eastern H.G.S.S. and the Western Beckwith (Stockton) schools—the former condemns private land ownership, the latter calls title-holding the public enemy, while I believe it is only land monopoly.

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Rent, The Essence Of Economics

STRAYING AWAY FROM SIMPLICITY THE MOST FATAL

POST GRADUATE COURSE IN RENT

NOW MR. BECKWITH IN HIS big weekly sheet takes up a column in saying I misrepresent him. But instead of making this clear, he tries to 'convict me out of my own mouth' of reversing myself and after that thinks the other isn't important.

He says that because I say 'that only to society which makes land worthy of rent should it be paid' and that 'rent rising as it does only from valuable land' is: that because I say these things I have admitted rent is not paid for land which therefore has no value: and that rent is paid for labor and capital!

Well, I guess I'll have to accept this compromise, as there never has been any difference but in words as to main principles. But method of teaching is almost the equivalent of a principle when it displaces a crusade on monopoly with one on universal enjoyment of a necessity.

He wastes his valuable time trying to teach reversals of common understandings such as land having value, rent going into price, rent being of 2 kinds, land monopoly being our curse—not title holding and an assortment of notions relating to a mere difference in terminology for which there's little, if any, reason.

UNDERSTANDING OF RENT is the refinement of economics. Yes common sense is about all there is to rent. The word should mean, unless otherwise specified, normal economic or land rent. Here is the common sense formula:—All raw materials for production by industry of everything needed by everyone, comes from the land.

Everyone, therefore, competing for use of land gives it a value equal to all wealth produced from it and resting on its surface: or \$8 billion in N.Y.C. and \$200 billion in U.S.A. So every person is, as one of society, a unit in creation of land value, the only BASIC social value. Thus 8 million people of N. Y. create the 8 billion of land value or \$1000 each.

The point is that rent is high in the big city because of the millions there, each ready to spend money at the stores. Macy pays a million rent and yet guarantees to undersell everyone by 7%! A 12 year old high school boy who could not understand this perfectly would be disqualified on commencement day. So there seems to be little excuse for a scientific economist to conduct a running 25 year battle over it.

THE GREAT READJUSTMENT

LET US CREDIT THOSE boasting rent to the pinnacle of evils, with sincerity in making their case as strong as possible. "Rent, I admit is partly bad, may one-half: why take away or reduce half, this eminent cause, for technical reason?" The answer is, whether the reason is technical or not, there is no such excuse or NEED for any distortion.

There is all needed cause for the change demanded, which is the shift of all taxes on industry to land value, without any exaggeration of the incidence of rent. Normal attention to direct cost of our sales taxes and our land monopoly renders further reference to rent chiefly superfluous or incidental.

Suppose our total rent bill (all land rent, economic and monopoly) is 30 billion dollars. And that our tax-bill is the same, as usually calculated. Our scientific proposal is to take all this rent, half each from the user and monopolizer. The user will gain in having no more sales taxes to pass to 145,000,000 customers but instead will pass them, say 30 billion of reduction and get back a doubling of orders and double his wages and work-force.

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CONTINUE TO MUFF THE QUESTION

"YOU SAY HERE THE George Movement is built on the monopoly-devastation-rent. And again that in the rent chapter in 'Progress and Poverty' H.G. calls rent only the price of land monopoly. Why do not those statements, separate or combined, relieve the H.G.S.S. and movement of your charge?"

Because the demand is NOT for either the Author or School to make up their minds WHICH rent they will back or advocate or publicize. It is obvious that they should give us the exact facts and all their relationships. They must exactly place and fully expound BOTH RENTS.

Nor is my claim that the choice of kind and method of teaching rent covers the mistake but the fact that without the complete rep-

resentation of the subject the whole George philosophy and science falls apart. It is a rent philosophy and worthless if not completed.

For example, let us take the view credited above that "the rent we are concerned with IS singular, and is what you are pleased to call monopoly rent. What then?" Since simple economics do not make this clear let me put this question:—I suppose you do not deny that your object is to destroy monopoly rent? Then when that is accomplished, will rent have ceased to exist?

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