

democracy

THOMAS JEFFERSON
HENRY GEORGE
ABRAHAM LINCOLN

CHARLES H. INGERSOLL
EDITOR AND PUBLISHER

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LINCOLN'S INCENTIVE SYSTEM LEADS TO CLASSLESS SOLIDARITY

CAN UNIONS BE UNIONIZED TO THE NEW ABOLITION OF CLASS-WARFARE?

CIO AND THE NON-UNION FIRM

THIS SHOULD READ "THE NEW-UNION FIRM". But this is a big headline as it is, and might lead to much bigger. It is only a S.C. (single column) 8 in. piece in the N.Y. Sun: CIO Harold J. Ruttenberg meeting James F. Lincoln at the great Lincoln Electric plant on Calt St., Cleveland.

This plant which turned out \$33,000,000 of welding equipment last year, employing some 1000 workers, has grown on its own power (profits) from zero in 15 or 30 years: during which time its costs and prices have shrunk half and pay to all employees has multiplied 4 times to an average per person of \$5,800 for last year.

This result is so startling, by almost any comparison, as to perhaps excuse some skepticism by government officials, union leaders and even progressive business leaders who are partly aware of the vast potentials of LABOR EARNING POWER when in cooperation with enlightened management. "democracy" in its March No. 73 recorded as epochal, another meeting of Mr. Lincoln with CIO official L.E. Chayetz at an engineers conference in Chicago where the "one big union" began to understand a new union idea.

where we have enough parties: and when for generations we have needed a "third party" because our bi-partisan system has bogged down on us.

Which will be most practical: educating either or both of our dominating unions in such obvious principles as (a) highest pay-incentives to labor; (b) laborer to have ALL he earns with NO rake-off to parasites, official or otherwise—

OR, educating the rank and file of labor, who is, when that little word ALL is inserted, almost everyone! So such education would inevitably include the CONSUMER who IS everyone. It is ILLOGICAL to organize a new labor movement: but not if the old labor movement can't or won't understand.

NO UNION CAN COMPETE WITH INCENTIVE SYSTEM

THIS MAY MAKE A BITTER fight on this system engineered by unionists-for-union-sake. Compare these current showings of two systems: (a) the peaceful constructive way demonstrated by Lincoln which not only raises "common" labor at \$10 a day but gives every other advantage labor can ask;—

(b) the "warfare" now at its height. Every case I have seen analyzed shows the direct loss to labor is such that years of "peace" at the forced new wage will be required to make good the financial distress. And the combined loss to all producers not counting the public, is incalculable.

At all events organizing the Classless Movement is a real organizing job and should start at once and with the best available talent and facilities. The movement is in the first FINANCIAL interest of Business, Capital and Wealth.

The ultimate interest is distributed to all labor and all the people as consumers. To get the movement MOVING is, of course, the element of resistance where the INITIAL EFFORT must concentrate. And that is the point at which "democracy" has now arrived.

WHAT IS THE INCENTIVE WAGE SYSTEM?

IT IS NEW WINE IN OLD bottles. The old bottle and its neck was PIECE-WORK, meaning payment for labor "by the piece" for exactly what it does instead of approximately or "on the average", as in the hourly, daily or weekly wage or salary. And the "bottle-neck" was the failure to build it into a "system".

The system of making it practically a labor-organization by careful co-ordination of it with every phase of wealth production has fallen largely to the lot of The Lincoln Electric Co. of Cleveland, Ohio, which has built this wage incentive system into the organization and operation of a whole and varied industry.

The detail of development is dramatized in a wealth of literature mostly by President James F. Lincoln. The view from the outside is being slowly but surely stabilized with the tendency of broadest acceptance in relation to all industry, commerce, economic

THE BASIS OF A CLASSLESS MOVEMENT

THE USE OF THE WORD "CLASSLESS" is obvious from the statement just made and is in no sense overdrawn or oversimplified if going with it is the understanding that it relates only to the PRODUCTION OF WEALTH: or the making (from the raw materials of the Earth) of everything that everyone wants.

The first object of such a "MOVEMENT" is to demonstrate in this primary activity of all the people (production) that harmony of action is the only way to highest efficiency. And to do this by placing the INCENTIVES where they will develop the latent powers in BOTH of the two exclusive producers, labor and capital.

This forces the Lincoln Contribution into the foreground because it PROVED that the worker had a reserve power, not merely a fraction of his total but of several hundred percent. This warrants the statement that labor's (earning) power is practically unlimited.

To be true labor must be in harmony with capital since capital supplies the opportunity for full employment of labor's existing and full reserve abilities. So this harmony is not a mere obligation but a matter of every day self-interest: and binding in exactly equal force on both producers.

THE COMPLETE LINCOLN INCENTIVE FORMULA

TWO EVENTS OCCUR IN spreading a new industrial Gospel. Pres. James F. Lincoln is modest and shows no sign of desire to name a new movement. But what is vastly more vital, he shows no inclination to keep his great idea from spreading.

His recent moves to make it spread have been with three foremost labor leaders, Messrs. Chayetz, Murray and Ruttenberg. The Cleveland Plain Dealer reports progress in several hours conference with CIO Murray's research authority, Ruttenberg, who admits that unless labor and management "line up" the consumer will step in.

While it is illogical that "labor" must be "propagandized" to have maximum pay, full employment and no strikes, that must be done, and the best is inevitable of whether that process must be taken to the rank and file individual worker.

The other event is Mr. Lincoln's new book of 192 pages "Lincoln's Incentive System" published by McGraw-Hill (330 W. 42nd, N. Y. C.) whose review of Incentives "democracy" has recently quoted Lincoln Electric Co. (12313 Calt Rd.) Cleveland mail copies post-paid for \$2. This is the TEXT-BOOK for a re-education of LABOR and CAPITAL.

principle and state-craft.

The interests directly involved are (a) Labor, all labor probably 4 times the number now in unions (b) capital and business, employers of labor (c) consumers of the products of labor and capital. This means every one of our 135,000,000 people—the ultimate greatest interest.

A Doctor's Prescription

TO EACH FREEDOM TO PRODUCE TO THE PRODUCER HIS PRODUCT

DR. ROYAL E. S. HAYES, Waterbury (814 W. Main) Conn. is author of the above SLOGAN OF PRODUCTION WHICH should displace that of Herren Marx and Engels in the Communist Manifesto which is adopted by our Unions of Labor Disorganization.

The latter reads (from memory): "To each according to his needs; From each according to his ability." The great cause of this slogan is giving labor a reputation for loafing; and enterprise a reputation for exploitation of labor and consumer.

The insult to all labor has hardly been noticed by the limited monopolistic union CULT. But "Ability to Pay" has been seized on by our College Marxists as the basis of our tax system known as The Power to Destroy and is now pressing for entree to the USA of a wage-price formula for even more drastically wiping out MASS BUYING-POWER.

The Doctor's slogan shows up the wide gulf between the Marx emotion and charity and the Economic sense and science. One requires bureaucracy and dictator to "enforce" the "wage-price" formula but other if free to operate is automatic and efficient.

BIG PRODUCTION AND DISTRIBUTION

DR. HAYES IS ONE OF RELATIVELY few fundamentalists who not only know their slogans but the logic and science behind them. He says a critic calls his slogan "trite" and says he's demanding what we already have.

The Doctor says that's just the curse of what we have, which is a jingle of words which the unthinking side along with, ignoring the fact that a dual system of monopoly and taxation cuts production down half: and thru robbing producers by its taxation.

Even HST demands maximum production as our only economic need. But he does not yet see that the producers (labor and capital) lose half this maximum by a tax that belongs on monopoly.

The Hayes Slogan should become standard in the new Incentive Wage movement where the only re-education of labor necessary is to blot out the Marx error that highest pay was not dependent on most intelligent and loyal service. That the sharing of the product is practically automatic under the "wage-price" system as described in Pres. James F. Lincoln's new book.

A UNION OF LABOR WITH CAPITAL

A NEW SORT OF SOLIDARITY wherein labor does not need to "organize" to fight its twin-producer, of all wealth, capital; BECAUSE the whole concentration of capital is upon a maximum pay for ALL ITS associates (labor) solely thru labor's co-operation in producing a maximum volume at minimum cost.

There are THREE links in this classless union chain; and neither has priority: when the units of each link are all added together you have the definition of this word CLASSLESS.

The three indivisible divisions of LINCOLN UN-NAMED UNION are:—(a) Labor, (b) Consumer, (c) Capital, or "management". Briefly the "way" of this SOLIDARITY: Labor makes everything; Capital, by management MULTIPLIES the volume and reduces its cost. The Consumer (being EVERYONE) consumes everything.

Labor has but one source of income, wages or pay. Capital can only thrive and pay maximum wages to ALL workers thru greatest volume. The Consumer's financial interest is only in (a) lowest price for (b) highest quality. For this, he (and she) will buy UNLIMITED QUANTITIES. This in turn will give unlimited employment to both Labor and Capital.

DOES INDUSTRY WANT A NEW UNION?

OUR STRESSING THE UNION in this report might indicate this need especially as this INCENTIVE plan of organizing labor is relatively new—so new, in fact, that— (a) it has not been noted generally, (b) present labor organization is only just "existing" it.

There are enough unions and it is their only "business" to adopt best methods and put all power behind them. But we have as an analogy our political situation

LABOR WAR DEMANDS A COMPLETE REMEDY

EVERYONE BUT ADMINISTRATION misleaders and Labor organizers knew from V.J. Day that the kind of striking planned would:— (1) effectively prevent any normal recuperation; (2) give the initiative send-off to spiral inflation as it did after WWI; AND react most tragically on ALL labor itself.

How far the Westinghouse experience reaches into positive proof of this statement is a guess, but probably close to 100% of all industry. The 98 day strike cost 75,000 strikers \$42,000,000 and the company seems to have lost in production \$150,000,000 and had to borrow to keep from having unemployment permanent.

This "war for peace" should send all industry into a co-operative movement of labor and capital — to UPROOT the whole cause of this madness.

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'WHO OWNS THE JOB'—HANEY

PROF. HANEY OF U. OF N. Y. starts with a good Q and fine generalization proving, as "democracy" has, that no one has any "rights" in the job—BUT—when he comes to the inevitable "So What?" Haney goes lame (for an economic professor).

He loses himself in the pros and cons of the present labor-war, and gives us millions of Journal-Am. readers only this negative answer—just about as all the professor do. Haney doesn't see that the JOB-WAR is because there aren't enough of "em—JOBS.

If college economies would rule all embargos off sales of job-products such as taxes that double costs and halve sales, there would be so many jobs that there need be no such talk as this 3 columns.

'SALES' RISE 31%: OR IS IT PRICES?

NONE OF THE THOUSANDS of bold headlines announcing sales increases in the past year or so, suggest the undoubted tragic fact that its money TAKE is what in most cases has risen: but that the delivery of goods or service may have shrunk, measuring the NEW inflation for the period.

This 31% is for a current week and if it is repeated a few times or approached, nothing can deny our progress in that spiral we have been so long threatened with, and so zealously working to bring on.

I remember how labor. Misleaders and Disorganizers started our spiral after WWI. But their action then was miserably timid compared with its present boldness.

Of course, make-believe, "labor" was then outside the government looking in where now government is doing the looking out and the government is mostly these same Dis and Mis organizers and leaders, I.E. "labor" now calls the moves for our politicians to make.

READING THE RIOT ACT

A BLOOMFIELD, N. J. MAYOR and sheriff have some backbone! In the great Westinghouse RIOT, dignified by such names as strikers and collective bargaining, the sheriff took 100 policemen and a copy of an ancient act against rioting and read it to a mob 1000 strong and followed the reading up with clubs enough to make them quit. Then the mob went to court, which declined their ballyhoo despite the PROGRESSIVE Edison law against injunction.

PROPERTY RIGHTS ARE THE

only essential human rights. But Karl Marx has made "property" inferior, using our professors in the process.

There are two kinds of Democracy: Political and Economic.

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

ORGANIZING CLASSLESSNESS

STARTING with a dollar CONTRIBUTION from a WORKING MAN.



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.

THIRD PARTY FRANKLY COMMUNIST?

HST'S DECLARATION OF Fidelity to New Dealism at the FDR Shrine and many other high-signs largely of CIO-PAC and HILL-MAN boldness seem to point directly third-party-ward. And my question raises the distinction—perhaps slight—between frankness and continuance of double-talk, false-faces and fellow-traveling.

"democracy" does not allow any distinction between presentism. We accept the long-standing recognition of Labor-Socialist as consistent. FRANK in fact. Our \$200 billion bureaucracy puts us in the class of Socialism as a minimum.

And we surely are not behind the English laborites in our ACTION. So the only question seems to be in our headline word-FRANKNESS if we are to have a 3d party. And that is another very intriguing proposition.

We have been shouting for such a party for a long generation. But it was for a new kind of a "d" democracy. PAC will make it 3 of a kind except to rush us into COMM-UNION-ISM so fast we may not get to 1st base before chaos.

AMERICAN YOUTH DEMOCRACY

THIS FACE OF COMMUNISM should be at this moment an important asset to those—if there by any—who are interested in the SALVATION OF DEMOCRACY from being enveloped in the capacious maw of a worldwide fellow-travelling Marxism.

Denying that it is communistic but hoasting its gain of 1600 Vet members in a drive on the colleges being managed by titled communist officials, this important unit of the famous united front proves how easy is the Marx conquest of our so-called educational system.

Soon, with such evidences as this spread before them, if our capitalist system makes no more show of resistance than at present no one can wonder nor waste much pity on a body finding itself attacked and showing no defense.

To avoid this conclusion there should be forthwith an organization started whose business it would be to draw absolutely every unit of business capital and wealth into the tightest possible cooperation in displacing comm-union-ism with LABOR-CAPITALIST DEMOCRACY.

Global Review of Comm-union-ism

UNION-COMMUNISM IS UNEASY

WALTER REUTHER, R. J. Thomas and 20 other directors of UAW-CIO are spending 11 days in Chicago finding where they all stand. For example, Reuther says wages must be raised and prices NOT; and in argument he has in so many words said the state must control industry, which is communism.

Thomas says it's no concern of labor whether increased wages are added to price. Here Reuther has it; and if he would lead labor to a SOLIDARITY with capital, for INCENTIVE wages AND taxation he would earn the title of LEADER.

The parting of ways here, if it could be properly engineered, would gain two conditions that would end all labor-capital trouble: — (1) labor would join capital in removal of all taxes from their mutual product to base monopoly of resources. (2) This would double mass purchasing power and free raw materials for a doubled production.

With unlimited employment equitable distribution of the product in increased wages would be automatically accomplished by universal adoption of the incentive wage system which would give to every worker ALL of his individual production.

AFL BUILDS A RIGHTIST LABOR GOP MERGER

HERE ARE POSSIBILITIES for leadership at present dead. All trends invite it. CIO has stolen the labor show and recklessly become more than fellow-traveling Communism. Annexed 27,000,000 New Dealers and left 23,000,000 GOP looking wistfully on.

Yet GOP even with such wedding candidates as Willie Dewey (and the present weaker brood) cannot out-left the leftists. So if AFL would get out of its own confusion and clarify the real labor aspiration—WHAT an opportunity!

If Lewis would as forcibly demand of GOP that they UNTAX not 20 but 100 million of workers and families and put all the taxes onto 2 or 3 in 100 of parasites who have monopolized a full half of our total wealth — he would "unionize" GOP and collect his Royalties from the Mine Monopolist.

GOP would have to become a TAX-REFORM party and revert to a role now almost forgotten in which they were champions of industry, the highly-paid wage worker, a chicken in every pot and a jolly—ALL thru a miraculous production of wealth they never came up to or stabilized.

SINCE OUR BIGGEST DEBTOR IS SOCIALIST

LET'S HAVE A LOOK AT English labor uneasiness. They have named themselves LABOR-SOCIALIST unaware that there is practically no difference between IT and communism; nor much between it and fascism. They have taken the political leap but are stalling on execution.

Mr. Laski their (alleged) brains has told the world capitalism is on the way OUT but his own people seem not to believe him, as they only bubbled at their easiest job the coal mines, paid full price for a few and now are advised not to hurry into the mysteries of steel-making.

Here again there's a chance for new LEADERSHIP. Mr. Bevin perhaps unconsciously gave us the lesson in Economics which, if we heeded, would be ample pay-off for all war debts, lend-lease and the new loan. He told us our

BASIC MONOPOLY IS SPLIT three ways: between natural resources, site values in cities, and utility franchises.

Capitalism was at least equally MONOPOLISM.

He also may not realize that this is true in England not only of their beleaguered capitalism but of their socialist-laborism. And also what remains of their "liberalism." Tories are economically most consistent; and they have by generations of practise, learned how to put up with every variety of abuse.

AND EVEN IN GERMANY

MARKXISTS ARE TANGLED up and in danger of "giving honest people their dues". Their trouble is about the meaning of two words Socialism and Communism. They think there's a difference in principle or something. But I know both are evolved by Marx and mean the same—"The State" 100% and the individual at zero.

We had the same fight here which boiled down to the question of revolution (bloody); bullets or ballots. And strangely Norman Thomas, the socialist leader, voted bullets — required to bring in the "New Order".

Slowly and painfully Germans are resuming political form and the first contest is between "Social Democrats" the double name for Marxists, and their first cousins, USSR Soviet communists; a big majority being sure they don't want to vote under the White Bear.

This tends to complete the worldwide showing of as much difference between Statelists, as between them and us reputedly NON-STATELISTS. We have let our entanglement with monopoly so impoverish us by its forcing product-taxes us as to lose the divide us.

ANGLO OR SLAV 'ONE WORLD'

MR. BEVIN GLORIFIES "UN" on its promise of this Willkie concept. But who that is awake can avoid the question of whether this ONE NESH shall be imperialistic as so adroitly presented to us by socialist style colonial-aggression. Or by the USSR franker proletarian communist imperialism.

The former is stily disbed up to us by a funny combination of filial sentiment, monopolism, Leninism, Marxism and Fascism. The latter comes even closer as propaganda of our own labor-burdened backed by 25,000,000 New Deal fellow-travellers.

There is one escape from these equally bitter alternatives. It is for the substantial interests of U. S. A. to organize the masses in a CLASSLESS MOVEMENT with no adverse elements and with TAXATION as the starting point.

STARVING GERMANY—OUR VICTORY

HOW CAN ANY RELIEF SENTIMENT be aroused consistently? And how can such relief survive advertising campaign pressure, not to mention race-pressure? Is not starvation the grand objective of war? Has it not been prescribed or implied by great peace authorities such as Morgenthau and Baruch: How can such pestiferous and unanswerable questions fail to drive us to a determination to array before us the cause of wars—Monopoly and Tariffs—AND END them?

Where to outlay pressure, thru-out the course of this greatest job of organizing ever attempted, between the 3 INCENTIVES mentioned will be decided under careful observation of results of meetings, conferences, mailings, etc. It seems to me an uncomplicated job.

THE 4-HORNED DILEMMA OF INDUSTRIALISM

"DEMOCRACY" ONLY NEEDS A FEW SUCH LETTERS as this to put it on the high-road to the ONLY SOLUTION to the present industrial CHAOS which carries with it a similar chaos in every field of our modern civilization. It is from A. LUBBERING, 450 E. 123rd St., Cleveland, O.

It offers four critical suggestions which are so in harmony with this editor's thinking that he will comment on each as make them the basis of ACTION.

This action is as obvious as the principles that lay behind it. And the simplicity of both—believe it or not—is one phase of resistance both in starting and in conducting this OBVIOUS CAMPAIGN. That phase, however, is necessarily superficial at such things are not to even slow us up.

The Action is to make the two powerful branches of all wealth production, labor and capital, see that not only their salvage but their highest financial interest is to COMBINE AND WIN what something belonging to someone else?

No, something they have always owned (morally) but have been robbed of, not by ordinary bandits, but by a DUAL SYSTEM of our own a Resource-Monopoly, operating a system of Product Taxation.

Now let's follow thru with Mr. Lubbering:

WHO MUST START WHAT MOVEMENT?	INDUSTRY MUST AWAKE FROM SLEEP OF DEATH!
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No. 1. "IT IS THROUGH THE informed industrialist that the public collection of its natural revenue must be brought about, and that therefore a greater effort must be made by men such as yourself, Messrs. John C. and James F. Lincoln, Beckwith of Calif., Cullman of Chicago, the Duponts, and there are others of similar calibre."

There are many industrialists imbued with the ENLIGHTENED SELFISHNESS demonstrated by Mr. Lincoln and the others mentioned and included in Mr. Lubbering's "No. 1". All the others possible should be gathered in at the outset—NOW. The first step must be defined; and the actual words for the public announcement.

While those here used may be the best choosable for the inner-statement, even for the industrialists needed to LAUNCH a mass effort something like "Business Organization of Labor and Capital" or "Untaxing Industry to kill its enemy, Monopoly" — may better fit.

The first objective is to form a Committee for Action which would give first attention to the two points here raised: personnel and presentation. And then the raising of a preliminary fund for the first stages of organization.

At this stage publicity will become crucial. "democracy" with its editor will offer itself FREE for the exclusive use of the movement. Whether it becomes the ultimate servant of the two presently-obvious phases, organization and mass-appeal, will appear in due course.

INDUSTRIALISTS NEED EDUCATION AND 'SELLING'

No. 2. "THIS EFFORT MUST be made by men of the calibre above, since rank and file men such as myself carry no weight among industrialists. These Industrialists must be made to see that Socialism or Communism must inevitably follow the Breakdown that is inherent in a Monopoly system."

This concept of the moral force of economics underlying politics is basic. It involves quite a measure of separate education—or maybe propaganda is the word. There must be a SOLIDARITY among industrialists for a common objective, the first step of which will be to ORGANIZE the same solidarity among and with labor.

This first step of organization will be crucial: it may be best done under some such slogan as "INCENTIVE WAGES, PROFITS and TAXES". The tempo of the movement will depend on how rapidly and completely industry will respond.

If on good presentation they "see the cat" and generously support the organization, the stage suggested where "the rank and file will come in and carry the ball", should be soon reached.

No. 3. "THAT UNDER THE weight of a staggering national debt, plus a heavy local and heavy personal debt; that a day of reckoning cannot be far off is obvious. Time grows short and it behooves men of the call to noted above to concentrate their efforts EXCLUSIVELY OF MORAL AND OTHER RESOURCE or of PATENTS."

"The formulation of this app and its presentation may determine progress in mustering ALL industry, big and little. Special attention will be required because of a flood of similar-sounding warnings and a doubtful notion of that essential of INDIGNATION.

This brief "No. 3" offers a model in its urgency to the substantial interests of the community to join in SAYING THEMSELVES "in and here" strength" is a message it will be come the special duty of the original "organization" to carry as swiftly as possible to every unit of industry and business in the country.

This is proven by the fact the ACTION going to the root of the disease has been so long put off. Business has sought to prove its individualism by a sort of LAZY FAIR of "let George do it": which must be displaced by the "laissez faire" of do it ourselves, so government won't absorb us.

This habit can be overcome by the determination of relatively few pioneers such as here designated and along with it the reflecting "habit" in the mass ranks of labor. How much this latter task will be minimized by the co-operation of present labor leaders is, of course, the most important single question on which we must focus all our tact.

DUAL ORGANIZATION OF CAPITAL AND LABOR

No. 4. "WHEN EFFORTS OF your group have really gone to work on the industrialist and has produced tangible results, the call in the rank and file, such as myself, and we can then carry the ball, to obtain the necessary public opinion to back it up."

Our headline gives priority to capital because our initial effort will concentrate there. But should be our first object to reach the point in advance of Mr. Lubbering's exact statement where work would be commenced in the mass-organization he speaks of after which our formula should varyably have labor in its first place.

This involves an infinite amount of study to fit this NEW DEMOCRACY to its NEW MISSION. And a new warfare for everybody to have a place in when the cardinal principle of ENLIGHTENED INTELLIGENCE may have its opportunity from the trenches.

HOW TO KEEP OUR SCIENCE OF ECONOMICS FROM GETTING ASKEW

LIKE DEMOCRACY (BIG 'D'): JEFFERSON AND LINCOLN STARTED IT RIGHT. NOW ONLY LITTLE 'D' CAN RESCUE IT.

Why Call 'democracy' Small 'd'?

IT IS TO RESCUE IT FROM ITS PREDICAMENT OF standing for the horrors of ANTI-DEMOCRACY. Our "democracy" is literally for everybody as democracy MUST be, to be IT. The big D Democracy is the *classiest thing* that this country has ever seen. It is ALL-CLASS.

Yet it holds in its arms 27,000,000 voters and all they represent because of its highly "classified" organization. So "democracy" has to start democracy all over again and do it right. This can only be the economic way.

Economic Science will make democracy automatic and uniform. Constitutional right to life and liberty can never be a reality until the right to produce and exchange ALL the product is LEGALIZED.

Many handicaps to production fostered by big "D" Democracy are eliminated by that of Taxation of the Producers which doubles their cost, halves their sale and disemploys billions of capital and millions of workers.

Big D is lip-service democracy of smart politicians while their real service is for the two extremes of anti-democracy, monopolism and comm-union-ism. Little "d" is against all these and with the simplicity of economics.

Tangling Up Simple Economics

MIXED-UP 'SIMPLIFIED ECONOMISTS'

THE TODAY'S COMMUNIST from the N. J. Cultist School is Morris J. Hoenig, C.P.A. Newark. He first credits me "with furthering the economic views of Henry George; arguing that shifting taxes from other things to that of land value would bring relief."

Then (on behalf of "those who understand") he says: "this is a blind to cover the real object — to destroy the selling value of land" bribing on a new order in which capital and labor, producers of all wealth will have access to natural resources by MERELY paying the annual site value."

Having made a fairly clear statement of George's economics, Mr. Hoenig wanders thru a long letter denying these economics and stating, as have several others from this cult-school, that the HGSSS (George School) classes throughout the country, are "teaching the whole truth of land reform, not tax reform."

He says what he has quoted as Georgism (and my formula) "is only bait for taxpayers which they refuse in view of the fact that practically all Georgists are proclaiming long and loud George's basic contention that private property in land must be destroyed."

WHAT IS THE GEORGE IDEA?

THE GEORGE IDEA IS AS simple as are the economic it employs for elevating (not "reducing") the idea to practise. The idea and its "modus" may be stated in a few words tho it took 600 pages in his leading work and twice as many more in his other literature to express it to his refined mind.

These few words are: The Earth, the land, being the heritage of all, may not be MONOPOLIZED. To avert this but without disturbing INDUSTRY (all labor and capital) its monopoly value or economic

Henry George News
50 E. 69th St.
New York 21, N. Y.
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rent must be collected for all the people by shifting to it all existing taxes on labor-products, which now impoverish the consumer — everyone.

The outstanding CULTIST AFFLICTION which has come from Socialist - Communist - Marxist sources and mostly VIA the colleges (who have always found economics so dismal and unscientific), is that of Land Nationalization using the slogans "We must make Land Common Property" and "We must end Private Property in Land".

Now please carefully follow a check-up on real and PSEUDO George Economics. The real while getting every cent due the people, would DOUBLE those cents by leaving industry undisturbed in its source of all raw material. The Pseudo would have the ANTI-SOCIAL effects of all Marxisms, in putting the totalitarian thumb on every individual enterprise while falling utterly at Socializing Land Monopoly.

FAULT OF AUTHOR, TEACHER OR STUDENT?

LETTERS LIKE THIS CAN hardly be understood as bearing on any phase of economic science in which they show but a crude skimming understanding. But since in number and boldness they are increasing, cultists demand not only individual attention but also their "group" activity, in its ORGANIZED phase.

The HGSSS or Henry George School was established two decades ago to teach the philosophy and science of the famous statesman. BECAUSE none of our 1500 colleges could comprehend Scientific Political Economy, I can only guess at the number of million dollars that have been invested by sponsors of this enterprise, the Bobt. Schalkenbach Foundation, the Joseph Pels Fund, the Pittsburgh "Sharpe" fund, et al.

But I can testify to all these bequests having but one object and the same one: which was to BRING IN the economic era about which George had given the only unconfused plan. And I do also know that each project has been afflicted with its misleaders who have consciously or otherwise kept it from efficiently functioning. I will some day write this history, as I have lived thru most of it.

MONOPOLY THRIVES ON OUR sales-tax system. We do not collect monopoly rents and royalties that would pay for our twenty-billion-dollar government, and so we tax 190 million consumers into poverty.

WHAT ECONOMIC CULTISM DOES

TEACHING A CLASS IN A "regularly chartered" Henry George School the CULTIST may appear to the naked eye as having the needed economic lore to get him by. He has had a 10-time course in reading about this new and novel science in Progress and Poverty or in "Economics Simplified".

He may also have got from one of our colleges or even a high school a strong urge to "progress sive reform. So he quite naturally attaches onto any features of economics which seem to head in the direction of Socialization, SOCIAL being the first word in his glossary.

And with very little help from an ambitious and superficial writer of text books and manuals, he discerns a Henry George as novel and distorted as is the whole Karl Marx doctrine of Socialism positively ANTI-SOCIAL.

With an over-stuffed educational system so far off its hinges as to teach or tolerate (extra-curricularly) Marxism it's no wonder that a "general public" makes no distinctions such as George most laboriously did and so lump George with Marx and his economics with communism.

HENRY GEORGE A SOUND ECONOMIST

HE SAW ALL THE ANGLES of opposing Democracy and the ISMS of emotion and sentiment but with no Science and Sense. But George was a profound essayist and statesman. He foresaw the vast need of the movement he had started for TEXT-Books and began to build them.

George realized the dangers of using any of his writings as TEACHING TEXTS not thinking, however, that a school using his name could use them indefinitely in propagating declines of false economics he had specifically condemned.

The case in point most dangerously pressed now by CULTISTS who are crowding George Economic Science into the background, centers on the land nationalization of Soviet-Marxism VS the ending of land monopoly by taxing it, of Henry George.

There is no chance of dispute or confusion of this question except in the temporary possession of the political equipment such as charter, name, trade-mark, or imprimatur. George said the words "make land common property" and "duly explained exactly what he meant which was land values."

OUR WORLD-BUROCACY

MODESTY BEING A HUMAN quality, we must look for rapid growth and strong development of this initial little start of ONE WORLD government—UNO—what I mean.

Only 6000 workers being provided for in the plants taken over; and only 50 to 100 square miles (or is it miles square?) in the various sites sighted by this new kind of pioneer lately arriving on our shores. The future, of course, is too much for OUR imagination.

Except that as UNO is largely a growth from ND imagination which itself has produced a \$300 billion burocacy, a pencil and glance at world news of all the global issues that must be handled by this new experiment in worldwide housekeeping, suggests what to look for.

'democracy' starting for a NEW GOAL needs all of its friends and all the help it can get from every one of them. Even if this invitation to renew is not exactly timed we hope you will act NOW. Easy to write: 1165 Broadway, N. Y. C. Easy to pay 25c. 50c. \$1. or MORE at the 26 for a dollar rate. (Signed)

A Few Current Cynicisms

VANDENBERG REPORT ON U.N.C.

THE ALSOPS IN THE "H-T" give a synthesis of this senator's mind as making "a vital moment" in Washington affairs, and thence "Our World's" as did Borah's "old and tired" intervention in '39. He's going to clarify our atmosphere as to (all of?) our imperialist (and communist?) allies. The Wolverine Senator might do this as the man and the moment.

And now it's got here and I've had eyes and ears close to ground and H-T to get some more of this MOMENT stuff. And I've about come to the conclusion: — "More green reporters". I've not had time to read the wonderful speech, as indeed I never have others of Arthur's, so I'm disqualified as to anything but "off-hand".

That's what we are waiting for: a moment in Washington, D.C. and especially a Republican moment. That has been standing us off 13 long years now. How we need a Vandenberg with backbone to take two choices — win-or-lose.

(1) CALL the New Dealers for 13 years of Sabotage (2) Call the GOP for lack of 13 years of backbones. No. 1 should be obvious to a moment-man. But then he must explain how it all happened to go unpunished till the beans were all split. And No. 2 involves even harder things to explain. Hence NO MOMENT!

OUR GOVERNMENT IS AGAINST SIN

YES, UNLESS IT CAN GET IN on its wages. One of our worst sins is horse-racing and betting thereon. Waves of righteousness tear down grandstands and smash up thousands of ingenious and costly slot-machines and sin-takes a vacation.

But the exigencies and emergencies of "our enemy the state" are such and so often that in one of those paroxysms we rush back to the arms of vice.

Tho we prosecute and persecute malefactors such as Costello and Erickson, we in almost the same motion pass laws stabilizing and legalizing the awful crimes of which these birds are convicted—guilty or not.

Mayor O'Dwyer's billion dollar tax-spasm ends with a \$20,000,000 promise from the race-sin with \$115,203 cash down.

ROOSEVELT SHRINE AND OUR WAR DEAD

THIS PROPOSED MEMORIAL is a perfect suggestion in its consistency. This idea of such a MEMORIAL as an appeasement to those who were forced to give themselves as cannon fodder is perfectly consistent and harmonious with the enshrinement of a political-personality War-President.

How definitely FDR sought war, how clearly he knew of its approach, how parallel to this ran his promises not to have war and especially his assurance to the Mothers of America—all this builds the IRONY of such words as shrine and memorial to the millions of our flowering youth who did not come back or came back crippled—wrecked physically and mentally. "Again, again, and again!"

CAN AN "AVERAGE MAN" BE PRESIDENT?

J. AND S. ALSOP ARE DOING a thoro job of answering this question serially in the Herald-Tribune. When they get done I suspect we won't know exactly what "average" is applied to man. Nor just what the Presidential job is, especially in emergencies such as in the past dozen years.

Pres. F.D.R. was a sort of average: and was he enough president: or too much, or what? He did what the Alsops seem to prescribe for H.S.T. — to get in a new lot of hired help. He went to the colleges for his — where he admitted he'd learned very little: at least on the Master Science of Economics.

Well supposing these writers are college products, I can guess the kind of outfit they would hedge HST in with. And except in detail give us about what FDR did, and what all the candidates so far, both N.D. and GOP would try to, all of whom have been FELLOW TRAVELLERS.

I would answer YES to the question. But he would require far more than average BACKBONE. And then enough commonness of sense so he could tell democracy from communism; and start the parade in reverse direction from which it is now going HELL-BENT.

COLLEGES WILL AGAIN LET G% DOWN

UPTON CLOSE WONDERS IF the Academic Babylon now being offered WWII Vets (of which he fathers 8) will make good. At the height of our hysteria someone suggested that the government "script or take-over the...". This may have been for the selfish reason that government had "bankrupted" them by skimming their cream of personnel.

"democracy's" reaction to that was ironically favorable:—that since colleges were among the biggest boosters for war, since they were recruiting stations in its mechanism, since they mellowed the flower of our youth into enthusiastic cannon-fodder:—

And since college teaching made no account of the obvious causes of wars—tariff walls and monopolized natural resources — there was no prospect of any ending of them, Colleges might as well start a war-curriculum of 100% completeness.

IS JOURNALISM A SCIENCE?

THERE ARE TWO PHASES to this ISM: News and culture. As to news the science of accuracy and enterprise should be quite obvious; and failure in either inexcusable. As to culture, education, idealism etc. the range is such as to stiff the term to the "science of judgment"; and there ain't no such.

So this leaves at least half of some 15000 (?) "papers" of the U.S.A. in the category of fellow-travelling for Marx communism, unionism, burocacy or New Deal "liberalism".

More serious even is their backing up monopolism which is the basic cause of all these others. And a system of thievery called taxation which is the feeder of the fundamental monopoly referred to.

So it "happens" that as George Selzer says in his latest paper "IN FACT", 99.98% of papers are subservient. Not in the conventional sense or from his communist viewpoint, but what is far more devastating: they are subservient of truth, fact and science. Yet they are not worse than our 1500 colleges and 12,000 high schools which supply all the Editors.

THE COAL STRIKE INVOLVES TWO BASIC CRISES: LAND AND LABOR

SETTLEMENT, IF REAL, MUST DISPOSE OF OUR TWO 100% ENEMIES, BASIC MONOPOLY AND PRODUCT-TAXATION

Economically the two SOLUTIONS Land and Labor are inseparable. Neither will be real without the other. So Lewis is more important than he or "we" realize. He should settle the land-grabbing-evil by demanding his ROYALTIES from the "Divine-Right-Baer" mine land owners.

This would land displace all product-taxes for public revenue, release resources from monopoly; and release production, consumption and EMPLOYMENT from about 50% embargo of inflated prices from "sales taxes".

Labor would in this process enjoy a doubled demand for its services which would leave nothing to argue with the operators about. Maximum Production and Free Industry would automatically prevail.

A Full Discussion of Monopoly

WHAT IS BASIC MONOPOLY?

"DEMOCRACY" IS LAX IN not often describing what it so often mentions. First, what is monopoly? It is accumulating, hoarding, cornering or hogging anything of common need or utility.

Thurman Arnold, writing a book on this subject, killed it in the early pages by saying "there ain't no such thing really" because no one can corner everything in his line. This showed the shallow thinking that made his book sell, put him at the head of the grand New Deal monopoly committee and revived the old deal and progressive trust-busting.

And in all these activities his pronouncement was reversed in trying to spell MONOPOLY out of everything business—small and big—did. It is the quality of the act—not its extent—that makes monopoly and every other offense or crime. Which is why BASIC should have first attracted our monopoly-baiters attention.

That word means underlying, fundamental monopoly—like that of the Earth itself. And following that example; what would you think of a book-writer, prosecutor and supreme court judge who knew or could know that the earth was monopolized and said and did nothing about it?

BASIC MONOPOLY CAN'T BE DENIED

THIS IS IMPORTANT, because the whole dept. of Justice, Federal Trade Commission Sherman Law, Courts and a big portion of our \$25 billion dollar a year BUROCRACY are occupied in fighting with Business and Capitalism—prosecuting and persecuting—over this "Arnold doubt" as to what IS monopoly.

But fundamental monopoly is SO OBVIOUS as to be undeniable. Take first the Natural Resources such as mines and minerals, water and water powers, forests, etc. Can any one deny their monopolistic quality?

Then the URBAN SITES: for example those of N. Y. City, value \$8,000,000,000; and from these down to the bonanza farms—millions of square miles. And finally the utilities from light power and transit to trans-continental railroads.

Everyone sees and vaguely understands the evil consequences of this system. But "everyone" thinks it is inevitable—that there is no other place for the taxes. So we all struggle on with this vast burden tied to our legs. Nature never intended any such situation: so it provided these great sources of revenue ample to receive every dollar of the burden. And in place of taxing ourselves poor and letting not over 2 or 3 parasites in 100 people collect this social revenue designed for society's housekeeping expenses.

'democracy' 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.

Land Grabbing—An Old Game

LET'S GO AFTER THE LAND GRABBERS

COLUMNIST STOKES IN THE World-Telegram uses those two very descriptive words and goes after "em. And when the Precious Parasites get what they deserve from all the papers we shall really have started something.

Grabbers of the Earth are in possession of about \$200 billion of stolen goods in U.S.A.; which stealing they are smart enough to have had condoned by law-makers and by public sentiment. I recommend Philless Publicity like this of Stokes' to make them let go.

This is the case of U.S. Reclamation in the Central Valley of California which has, thru irrigation power and flood-control, made available thousands of square miles of richest land formerly waste desert, usually in 160 acre tracts.

Now powerful land companies and utility monopolies are using the war department and congressmen to turn this democratic and economic movement over to their special interests.

THIS INVOLVES ALL OUR MAJOR PROBLEMS

THESE PROBLEMS CENTER on the land and natural resource monopoly. How? Follow thru a very simple statement.—This reclamation plan was based on the principle of making worthless land valuable and making it free to ALL who would use it and PAY to the government what its use was worth to them.

This was a trespass on the world-wide economic abuse which has built the \$200 billion of BASIC MONOPOLY mentioned; and which pays into these monopolistic pockets from \$20 to \$25 billion of income or economic rent a year that should go into public treasury as provided in the Reclamation Act. This failure to collect social revenues to meet social needs results in our general product-tax system to meet government expenses which tax is all added to cost and price of products.

This permanent inflation halves mass buying power and the volume of business. This results in millions of unemployed, the labor-war, poverty and general demoralization now facing the whole world. This is real fundamental monopoly fighting for its dear life.

THE VITAL ISSUES OF NATURE AND ECONOMICS

PETER EDSON, SCRIPPS writer, takes time off from "Frisco" to sight-see the Central Valley of Calif.; and his description and invitation to the old-world delegates to follow through is a masterpiece. He says the valley extends from Shasta Dam to Bakerfield, 500 miles by 100 miles wide.

So here in a single state is an empire of 50,000 square miles or 1/60 of the whole USA (\$,000,000 sq. mi.) But the big point is that from a complete and worthless desert, in 50 years or so it has become a bee hive of habitation and industry.

The next point might seem to sustain the Marx Communist doctrine, since this miracle has been performed by the U. S. Reclamation and other government agencies. Or it should be a "clean bill" for New Deal enterprises of public ownership. And so it should be to both.

And if such official projects as this, the TVA, the several irrigation dams in the northwest were honestly—meaning economically—based and financed they would all reach the height of these descriptions as public blessings, where now there is another side to them that makes them all JUG-HANDLED blessings.

SMALL 'd' 'democracy' IS NO JOKE. The joke is the kind of democracy we have in Washington, Albany, New Orleans, and Chicago.

THIS IS OUR U.S.A. PIONEER REFORM

VERY FEW PEOPLE REALIZE the extent to which we have committed ourselves to Scientific Economic Reform in this Reclamation Act passed in 1902 and adopted in California in 1936. It has been generally regarded as one of many semi-socialistic ideas we have taken up as fellow-travellers in the past generation or two.

But the distinction is very sharp and turns upon this very situation and as being specially active thru-out the world at this very time. It is the difference between "land nationalization" and the "nationalizing of land values."

This in turn is the difference between Social-ISM (or communism or collectivism) and the democratic individualism which would plant its financial structure firmly on the base of INVIOABILITY OF OWNERSHIP deriving from production or creation.

You may see land nationalization in practice today in Russia, Germany, England and elsewhere in Europe. It consists of buying the land paying for it in bonds, as in England in which case there is no economic change. Or, as now practiced by USSR in Germany, expropriating the land and dividing it among a (relatively) few peasants, tenants or share-croppers.

EVADING NATURAL ECONOMIC LAW

THE FEW LUCKY ONES even in USSR general nationalizing of land, is trivial compared to the 180 millions who everywhere have an equal interest in its total value. Hence the distribution of this total value (which in the U.S.A. exceeds all other forms of value) is the only scientific way of socializing this vast social value.

The only way of effecting this is to collect it by taxation and distribute it thru the services of government to every citizen. This is exactly the principle of the Reclamation Act. Reviewing: land cannot be "distributed" equitably; to see this at a glance visualize Niagara Falls, the Up-State Gold Mine or that gold mine at the corner of Broadway and Wall, N. Y. C.

But the income or earning-power of the land called economic rent may easily be collected and with accuracy be distributed. And this method while a form — and the ONLY form — of Social-or-Nationalization is the only existing method of realizing a DEMOCRATIC INDIVIDUALISM.

This is because the RUGGED individualism we now practice tries to ignore its social obligation by failing to recognize the inviolability of ownership in failing to INSIST on the Social ownership of what society creates. This failure has resulted in the Social ISM challenging the ownership by the Individual of all he produces.

THIS IS LAND NATIONALIZATION

IN A CHARACTERISTIC BIG bold editorial the Journal American quotes authorities on standards of living, which many of our deluded fellow-travellers think are high in USSR, reports wages only half as high as in Germany, and a fourth those of USA, ours then being \$28. a week average.

Another average, referring to food, calls Russians among the very hungriest people of the earth. I.E. number 30 in the lowest 32 with Philippines and China only, below them. This is germane to the much-touted claims that USSR has beat the world including USA in SOLVING the monopolized land problem.

The importance of the statement is in its factual accounting for the work-out of this "nationalizing" of which USSR is the official and complete example while perhaps a score of countries in Europe (head-

HOW TO END MONOPOLY OF THE EARTH

THIS IS A FAIR QUESTION, concerning the 2 1/2 billion children of nature who must somehow collect their existence from that Earth. If monopoly is not ended those billions could be evicted or what is more likely, in fact what is happening, directly and otherwise the MONOPOLIZERS are collecting half of everyone's earnings.

So what are the ways to end this stealage and how are they progressing? The only scientific and sensible way to end this monopoly is to make it unprofitable. This would be done by taking away from the title-holder the income or economic rent.

For example, the tax books of N.Y.C. show a present value of the land at \$8,000,000,000. The economic rule being that this is the untaxed portion of the total value this shows a (relatively) few individuals are getting away with this gross amount, or the income or rent thereon which at 5% would be \$400,000,000 a year.

So if Mr. O'Dwyer had not been cheated by a subsidized-by-monopoly Educational System he would levy a 100% tax on this Social fund before even thinking of Sales tax and this would end this kind of investment or getting something for nothing.

HOW NOT TO END LAND MONOPOLY

IT IS TO SHOUT FOR THE "ending of land common property" or the "Ending of Private Ownership of Land" which is being done by the CULMISTS using the name of the HIGSSS or Henry George Schools. Practically ALL our 135,000,000 people are INTERESTED in some form of use of land. Not over 5 and I believe not over 2 or 3 in each 100 of these millions are interested in land speculation; or ownership of land for monopoly. The plan of socializing land rent by taxing it into the public treasury would disturb not one of the 135 million USING LAND.

It would most effectively drive the 2 or 3% parasites to productive forms of investment or even to working. In order to reach these few monopolists the cut-throat pedlars of the two slogans quoted would expropriate the lands of the 97-in-the-100 people most of whose lands have no value and none of whom have the remotest interest in monopoly.

And these cutlits, who follow the trail of HIGSSS across country from Newark, N. J. to Stockton, Calif., have also to learn that RENT is no more quality of mass sabotage than land ownership until you examine its monopolistic phases.

★ HOW DIVIDING UP THE LAND WORKS OUT

STAFF CORRESPONDENT TO the N.Y. Sun, Judy Barden, gives a lucid account of this process in Micklenburg, Germany where a big S.S. general's big estate of 12 or 15 thousand acres is being beaded to 450 villagers and sharecroppers, each getting about 26.

The process is to plot the estate and draw the plots by number after which a deed is given the drawee for a consideration of \$200 on easy payments. This is a great boon to this 450 but is at the expense of the 99.5% of the people as much as was the S.S. Monop-olist.

ed by England) follow along in some measure.

First, it is only agrarian, while more than 90% of U.S.A. land in value is in cities; minerals and utilities. Next, its "distribution" only gets to a trivial fraction of farmers. Then to them the benefits are slight because the bureaucracy controls and profits in the market. And to effect this the land of their best citizens—the Kulaks, farmers—was expropriated and the owners "liquidated," (USSR for murder).