

death, and compacts with hell." Too often do such discussions and so-called leagues act as a smoke-cloud obscuring the forces constantly tending to produce strife, envy, fear and hatred. These forces will vanish only when economics and its natural laws are recognized. Selfish and unselfish people alike use the multiplication table; similarly they use the laws of physics to make a steam-engine of an aeroplane. Discussion about these laws ceases so soon as they are widely apprehended. We gain advantages from our acceptance of and obedience to these laws, regardless of the ethics which influence individuals. So it will be when the laws of economics are understood.

The crowd is made up of individuals. Hence the crowd psychology cannot be entirely separated from the instincts and psychology of the individual. The reactions which affect the human crowd are in some particulars the same today as amongst primitive peoples, while in other respects they are definitely modified by the conditions prevailing in these times. Fear is a mental state more likely to be morbid and less likely to be useful in the crowd than in the individual and today than in ancient times. Religious feelings are based partly upon fear (Urfurcht is the German word), the fear of what is outside ourselves. There is also the life-instinct (Lebenstrieb) which may be associated with fear. Man is actuated by the three sets of instincts associated with the three words sustenance, sex and society, the three "s's." Fears enter sometimes into each of these domains and they may be interwoven in the individual's and in the crowd's mental state.

There are, today, peculiar forces tending to produce group fear. People are herded into and within cities more than ever; they are divorced from the land, from mother nature, and from the influence of the soil and the growing things thereon. They are led to think that certain countries are over-populated and that they cannot promote self-development so readily as in former times. Land monopoly and taxation are at the root of these retrogressions. If all taxes were abolished and the public's only proper revenue, the land rent from occupants of sites were collected, then everyone could hold in full the products of his labor and get the interest on his capital. The natural initiative, industry and creativeness of man, in other words, self-determination would then be fostered. Hindrances to production and exchange and to international friendliness would disappear; and people would be better distributed on the ground and in occupations. But eyes to see these things are blinded. For people's minds are darkened by superstitions, and biased by early training and environment. The worst superstition constituting the greatest iniquity of all ages is particularly hard to root out; it is, that anyone can own the earth. The cloud of this iniquity is perceived from time to time hanging over society; but the means of dispelling it are not easy to learn. For example, the Communists of Russia have done much towards getting rid of private property in land; and they have accomplished a great deal the bring about self-determination of individuals and races. Consequently, they are not aggressively-minded towards their neighbors. But they have not banished fear. They have built vast armaments and have developed frightful preparedness for wars. This is because they have not discovered the necessary measures to banish the great iniquity and to ensure freedom. The vital law of rent is not known to them. They still have taxes, particularly those covertly extracted by profits on State monopoly enterprises. Therefore, Communism is based on bloodshed and has cause for fearing neighbors. It has been founded on slaughter and is a dictatorship. It is no antidote to Fascism.

To study briefly the mental development of the individuals who make up the herd:—The psychology of the individual is largely determined by the influences which act at a very early age. In spite of modern teaching few young children can grow up in an atmosphere of freedom. They are seldom even looked at with unbiased eyes, for adults are blinded by the prejudices and pre-occupations they have themselves acquired. Those who do not understand what freedom

is are very apt to blame human nature for society going askew. Similarly, few indeed are those persons throughout history who have taught that the child may be right. At last people are beginning to learn that not only the small difficulties of the child and the great ones of adult life, but also that social unrest and chaos are just mistakes which better knowledge can rectify. A child is handicapped by his parents finding themselves unable to give him the necessary materials and understanding for his work. Again, a youth is often forced to take up an occupation for which he has no liking. Creative ness and self-expression are thwarted.

The Open Forum

Under this heading we shall print from time to time, usually without editorial comment, short contributions on controversial points. In this decision we are abandoning our resolution to exclude discussion on points that seem to us to be painfully repetitious. But it now appears that our readers think otherwise, and LAND AND FREEDOM is their paper, and we are willing to accord our policy to their wishes.

—Editor LAND AND FREEDOM.

CONFUTES J. B. ELLERT

EDITOR LAND AND FREEDOM:

Congratulations upon the symposium, "Step by Step to Nowhere, and other good features in your last issue.

Inasmuch as my views are referred to in two separate articles, I feel that your readers are entitled to be protected against misrepresentation regarding them, particularly as the misrepresentation on page 125 follows a similar misrepresentation in your last issue, page 93. You are doing good work in helping your readers to get their economics on straight; let me help by correcting Mr. Ellert.

On page 93 in your May-June number he says:

"I see that Mr. Beckwith does not approve of our tax plan in Milk River. I am at a loss to make out what he advises us to do; he seems to think that to increase our taxes on land value is wrong and to gather the land rent through our system of taxation is wrong."

Those of your readers who take my bi-weekly, *No Taxes*, know that there have stood in the title page of that paper from the very first issue, more than four years ago, these twenty words:

"We pay it all in our rent. Take for the public all the rent and collect not a single tax."

If more evidence is needed to show the inaccuracy of Mr. Ellert's statement, it will be found in the article "Milk River Passes the Test," page 3202 in *The Forum* and page 505 in *No Taxes*. In that article I commend Milk River for voting against lowering the village levies on land, even though they are bringing in nearly twice the revenue necessary. Further commendation of Milk River for this course will be found on page 3220 of *The Forum*; and this will appear in an early issue of *No Taxes*.

On page 125 of your last issue, Mr. Ellert says:

"Mr. Beckwith's idea of putting all taxes on present land values, or taking the rent on speculative values, etc. . . . Mr. Beckwith and Mr. Jorgensen are both trying to solve the Single Tax by our present unnatural land system. . . ."

Your readers may not be interested in my views; but if they are you want these views correctly presented in your columns. Otherwise the good work you are doing in helping readers to get their economics on straight will be hindered.

I was notified by a government telegram that I was scheduled to appear before the U. S. Senate Finance Committee at the hearing on the tax bill, May 6. As I could not go to Washington, I filed with the committee a statement made up in the form of questions and answers exactly as such a hearing might be conducted. The following quotations from that will not only correct Mr. Ellert with respect to my views but will add to the excellent symposium upon the subject suggested by Bolton Hall. I quote as follows from the seventy-four questions and answers:

*See my book on *The Growth and Distribution of Population*. (Geo. Allen & Unwin, Ltd., London, and J. Wiley & Son, New York, 1935).

price. So, when privately appropriated, rent is not only in prices, but through taxes, forces prices higher and higher.

On the other hand the public taking of the whole rent prevents land monopoly, permits labor and capital to employ themselves on the best locations free of taxes with consequent greater efficiency and lower costs and the rise in rent is offset by increased public services furnished to labor and capital. When rent is collected by the public it equalizes everyone's opportunity to work to the best advantage and makes possible the gradual solution of all humanity's social and economic ills.

Rent can be collected by the community with the same ease and accuracy as it is now collected by individuals and the trustees of our universities.

Rent, in common with other natural phenomena and laws, is beneficent or destructive according to whether it is or is not treated and used in accord with natural law. This principle has long been recognized as to the physical laws and phenomena of gravitation, electricity, chemistry, astronomy, etc.

It is frequently stated that our powers of production of wealth have reached a high state of perfection but that our distribution of wealth is very backward and faulty. The reason is plain. Our machinery, tools, structures and chemical productions are all produced in accord with scientific understanding and obedience to natural physical laws but our distribution of wealth is attempted in utter defiance and ignorance or ignoring of natural economic law.

All the talk about "the maching age," "technological unemployment," "money" or "the money power" being responsible for unemployment and lack of purchasing power is foolish or knavish "bunk".

In my opinion Beckwith is absolutely sound in his economics, is teaching sound Georgeist principles and is doing the best work I know of in forwarding and disseminating the truth. He has done much to simplify and clarify the science of political economy and to show business men and all the industrious and thrifty that it is essential to their best interests and welfare. He has wisely steered clear of opportunist political futilities.

Jorgensen has done excellent work in exposing the teaching of false economics in our schools and colleges and in showing and impressing the importance of rent upon business and the consumer, which means every human being.

I am now convinced that Henry George did incalculable harm to the ready acceptance of his proposal:

1st. By talking land value taxation and Single Tax instead of always insisting on the collection of the whole of rent into the public treasury and abolishing of all taxes.

2nd. By not putting more emphasis on the importance of capital and the validity of interest.

3rd. By accepting the sophistical dictum of Ricardo that rent did not enter into price.

4th. By departing from his true roll of philosopher and scientist and twice being a candidate for mayor of N. Y. City on substantially a socialist-labor platform. Also by support of Bryan in 1896 George implied an economic importance of the money question which George knew could not exist.

5th. By advocating a political step by step method of adoption of his proposal.

John Stuart Mill was right when he said that small economic changes could produce no worth-while economic effect. This has been abundantly proved during the last fifty years by the experience in Australia, New Zealand, Denmark, Texas, Vancouver and Pittsburgh.

Chestnut Hill, Mass.

EDMUND J. BURKE.

I HAVE seen nations, like overburdened asses,
kick off their burdens—meaning upper classes.—

LORD BYRON.

BOOK REVIEWS

How to Abolish Poverty, by George L. Record. Published by the Record Memorial Association of Jersey City, N. J. Cloth, 201 pp. Price, \$1.

This volume contains a statement of the economic and political faith of George L. Record. An introduction by Amos Pinchot and a foreword by James G. Blauvelt are affectionate tributes to the late Mr. Record, and on the whole are not undeserved.

There is no doubt that George L. Record performed a distinct and signal service in keeping alive in the state of New Jersey the flame of social reform. That he fell short of full accomplishment of his aim seems to us to have been due to his marked limitations and a certain self-delusion that he was a politician. This weakness was strikingly exhibited at the convention of the Committee of 48 in Chicago where from motives that must forever remain undisclosed he side-stepped the real issue at the very minute that Oscar Geiger, with his flaming courage, had won a magnificent but bewildered convention to our cause. It was a great moment and the truth must be told that George L. Record failed us.

We dislike to dwell upon this. It may have been that Mr. Record saw or thought he saw the futility of a ringing declaration on the land question that might have immortalized this convention. It is not possible to believe even after this lapse of time that George Record was right and Oscar Geiger wrong.

We prefer to dwell upon the real service Mr. Record rendered to the cause. We want to echo the encomiums pronounced by Messrs. Pinchot and Blauvelt. He was at least a strong figure in the politics of his state and people knew what he stood for. It is no exaggeration to say that he made Woodrow Wilson. He could do for others what he could not do for himself, for despite his strange self-delusion he was primarily an agitator and not a politician, and Henry George was the inspiring impulse of his life. The tragedy of his career was that he mistook himself for a political leader, and he failed in political compromise because every fibre in his nature responded to quite different stimuli.

We can endorse in the main the confession of faith he has given us in these posthumous papers. Only in one chapter do we find statements with which we would take issue. That is the chapter in which he tries to justify income and inheritance taxes. He seems to feel that some part of the great fortunes of Ford and Woolworth are unearned and should be taken in taxation. He supports this contention by the following:

"Society by establishing and maintaining at public expense, public roads, courts, police and fire departments, and the penal statutes affecting property rights, by authorizing and supervising the banks and coining money, and by establishing laws governing the medium of exchange, and by providing for the formation of corporations so as to make possible large aggregations of capital, contributed directly to the productions and to the element of permanency of the wealth acquired by the so-called owners."

Mr. Record has weakened his case, for the argument concedes in great measure the validity of taxes upon all forms of wealth, and could be quoted to sustain the reasonableness of any tax on production.

Mr. Record by dwelling upon the legislative rather than the economic argument has missed the point. Granted that the Ford and Woolworth fortunes do include an unearned portion, society gets all it is entitled to when it collects the economic rent. That both Ford and Woolworth profit by conditions in which labor sells its service at a disadvantage; that in subtle ways great aggregations of capital under present conditions render any bargain entered into by labor and capital a one-sided contract, we are to remember that the taking of economic rent by making all natural resources free will be to establish a very different relationship. We need not therefore concern ourselves in futile speculation as to just what part of these great fortunes is unearned. If society takes what it is clearly entitled to, the shares going to employer and employed in the work