

### "Jobless Recovery"

Of course, there has been no recovery—in the sense of any increase in the production and distribution of wealth. There can be no recovery without an increase in employment, an improvement in the general wage level.

But observers are puzzled by the fact that the upturn in American business, that began last summer, has resulted in no appreciable decrease in our number of unemployed, very little reduction of the number on the WPA rolls, no decrease in the demand for relief. Therefore, we hear a new semantic, "jobless recovery."

The increase in business activity that brought no increase in employment may be ascribed to several causes. The primary one is probably the stimulation of orders arising from government spending. But this is charity business, and therefore cannot have any effect on our economy. The government takes from a group of working citizens and gives to an unemployed group. The symbols of wealth suddenly placed in the hands of needy citizens result in a demand for merchandise; but this cannot start the wheels of production more than temporarily (until the exchanges are completed), for the "buyers" are not exchanging new wealth.

They are merely spending what has been taken from others in taxes. They are not producing, and, therefore, not adding to the common fund of wealth.

But, this hypodermic encouragement might have the effect of stimulating recovery, might even increase jobs, if its effect were not checkmated by an increase in land value. The greatest part of government largesse eventually goes to the rent collectors. Indeed, a large part of it goes directly from the government treasury to the landlord's bank accounts. The AAA payments for "farm relief" are nothing but subsidies to landlords, and works projects cannot be started without removing the landlords, at their prices. The HOLC and the FHA are bonanzas for land speculators. Without these tax-dispensing agencies to stimulate hope in the landlords' breast, land values would long ago have dropped to the point where capital and labor could have gone to work, and effected a measure of real recovery. The expectation of more expenditures by the government tends to hold land out of use, which means keeping workers out of jobs.

"Jobless recovery" is a contradiction of terms. Since depression is a stoppage of production, recovery must be a resumption of production. Production without workers is as unthinkable as the fantasy of perpetual motion. When workers produce things exchanges take place. Every exchange further increases production, which, in turn, creates more jobs, more wages. There is no other kind of recovery.