

## Chianti Hills

HENRY

by the superintendent of the Corsini estate may be worth many times Gino's yearly value to society, and the latter can make more working for him on a large farm than for himself on an uneconomical tiny subsistence one.

Italy should immediately free all land—city and farm—for its best possible use. It can do this by collecting all land rent in taxation. Then he who can produce most—and benefit himself and society most—will pay the highest rent and use the land. No one then would hold land from its best use; the small farmers would have equal rights with the Corsinis to the land of their birth—Italy.

How could it be done practically? All taxes should be removed, as quickly as possible, from the results of Gino's labor—his cattle, his crops, and his home. And, of course, from the product of the labor of all the people in all Italy—city and country, both rich and poor. Trade should be free with the whole world, so that *the Ginos* can sell in the highest market and buy in the cheapest. Support government by a full tax on the value of land.

Phoenix-like, a great Italy would arise from the ashes of war, and a free people would mock the efforts of the communistic state slaves. But, do nothing and *the Ginos* will succumb to the wiles of the siren.

## Price Shrinking

By R. G. LeTOURNEAU

WE WILL NEVER freeze the spiral of inflation until we thaw out the law of supply and demand. Legislation cannot, in my opinion, abolish the black market in autos, building supplies, steel or other materials and products. Why, legislation—yes, legislated economics—is the villain who got us into our present pickle. How then can he be the hero to rescue us from it?

Bringing pressure to bear on the producer of goods to hold his prices down and at the same time featherbedding the worker is like putting water in a tin can, sealing it tight and then building a fire under it. It can stand considerable pressure, but eventually it will let go with a bang.

Shortening of work hours and raising wages to produce worker prosperity is a dog chasing its tail. It just can't catch up. The only way men can have more than they produce is by banding themselves together to take more than their share at the expense of other workers. But even that they cannot do for long. Others will follow suit and the end will be poverty for all, for production will decline progressively.

What is real prosperity? As we have said before, it is not merely having a fistful of folding money. It is having available an abundance of the things we want. Such abundance is possible only through mass production, and mass production is possible only through well-tooled and well-directed labor.

The answer then to inflation isn't legislation—it's perspiration.

## Study Relation of Men to the Earth

By HARRY GUNNISON BROWN

THE HENRY GEORGE School of Social Science, compared with our various universities and colleges, has only insignificant financial support. It has, in the main, only part-time, unpaid, volunteer teachers. Yet it is striving to spread information and understanding on a phase of economics which has, with only a very few exceptions, been either entirely neglected in the universities or treated briefly, with gross inadequacy and with inexcusable bias. The Henry George School is striving to do what the teachers of economics in the schools, colleges and universities ought to be doing and, indeed, ought to have been doing for at least the last five or six decades. Had the professors of economics thus taken pains to make clear to their students just how a land-value tax system would affect our economic life—and why—we might by now have widespread sentiment for and be well on our way toward realization of this overwhelmingly important reform. Unless and until the professional teachers of economics will assume this task, the Henry George School of Social Science is needed desperately.

The Henry George School should continue to stress "fundamental economics," i.e., the economics that considers especially the relation of men to the earth and the right of all men to work on, to live on and to draw subsoil deposits from the earth, without having to pay a few men for *permission* to do so. If ever the time should come when the School ceases to stress such fundamental economics or when its teachers cease to do so, it will no longer have a right to its present name.

But this does not mean that the leaders and teachers of the School ought to be unfamiliar with all branches of economics except those that have been especially contributed to and clarified by Henry George. In fact, some who have been rather close students of Henry George are thus quite unfamiliar with highly significant contributions to economics, including contributions which shed a good deal of light on some of the very questions in which they are most interested. Many times, when pondering how the Henry George School might increase its prestige and its influence, it has seemed to me that an important means to this end would be an increased understanding, by some of its teachers, of these other branches of economics. Such understanding would help them to see Henry George's contributions in their proper setting as part of a larger body of knowledge. It would enable them to discuss with persons outside of the School, and to illuminate for these outsiders, aspects of economics which, now, they do not themselves understand. Thus they would win added respect for their own insight and added respect for the School.

Among various aspects of economics with which Georgists are, often, altogether unfamiliar are many important facts regarding capital, regarding the "marginal productivity" of capital and, therefore, of *saving* and regarding the relation of the rate of interest to this marginal productivity. Yet no one who lacks this background is completely equipped to puncture the fallacies in the socialist and communist (the Marxian) theory of "surplus value." And for

lack of this background not a few whose social idealism was first stirred to life by Henry George have afterwards become socialists themselves.

Another branch of economics in which the great majority of Georgists appear to be uninformed is that dealing with money, commercial banking, inflation and deflation of commercial bank credit (checking accounts), with the relation of such inflation and deflation to average prices, wages, etc., and, when prices (including wages, interest and rents) are "sticky," the relation of such inflation and deflation to fluctuations in business activity.

Certainly not all, nor even a majority, of alumni and students of the Henry George School can be expected to go far into these various diverging aspects of our economic set-up. Many of these alumni and students are indeed very busy persons upon whom rest other and important obligations. And I would repeat here what I said in my beginning paragraph, that there is desperate need for a group and an institution which shall stress above all else the relation of men to the earth on which and from which all men must live. Nevertheless, if it is possible for alumni and students who do not themselves yet have complete understanding of the operation of the economic system, to point to the Henry George School of Social Science as an institution among whose leaders and teachers such understanding is to be found and if, from time to time, the contacts of these understanding leaders and teachers with persons outside of the School serves to reveal such understanding, surely the prestige of the School and its influence will be appreciably enhanced.

## This Is to Announce—

A CORRESPONDENCE course in General Economics identical with that taught on the campus of the University of Missouri and currently being taken by about 900 students, is now being offered to readers of the Henry George News. Assignments and questions were prepared by Professor Harry Gunnison Brown as part of the Adult Education and Extension Service of the University, and students who have the proper prerequisites may, by taking this course, earn a credit of five semester hours.

Henry George's *Progress and Poverty* as abridged by Dr. Brown, and two books by Harry Gunnison Brown will be used as texts in this course which is as fundamental and exhaustive as its length permits; and the fee is only \$20. Papers will be read and commented on by a reader at the University. The long list of topics to be covered (available on request) will be of vital interest to all Georgists. Here is an invaluable opportunity for students and teachers to test their knowledge and add to their mastery in the field of economics.

