

# Land and Freedom

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## Comment and Reflection

THERE is no limit to the number and kinds of suggested cures for the depression. The latest is that of Glen H. Spence, who hails from Brooklyn, N. Y. He actually argued it before the Senate Judiciary Committee at Washington. He would shift the burden of taxation from land to the machine. The *Brooklyn Eagle*, which is an amateur newspaper run as a daily in that locality, says "the plan sounds like the soul of simplicity."

MR. SPENCE, or the *Eagle*, says: "Every explanation that is now offered for the depression includes the overproduction due to the over-efficiency of machinery in the list of major causes. "We suppose that if machines were not over-efficient, but just reasonably efficient, the whole matter might be righted. Just how to make them behave is Mr. Spence's job. We would remind him, however, that many of the authorities who are competent to speak do not believe that overproduction has anything to do with it, but rather the defects in the methods of distribution.

ACCORDING to the rather original plan of Mr. Spence a machine is to be taxed on the basis of the manpower it "displaces." He does not see that the progress of machinery opens up other avenues of employment and makes for the increase of demand for man power "A per hour tax figure would be set for every type of machine. In this way production would be kept down and prices would rise, thus bringing about the much desired inflation without dangerous tinkering with the currency, which recent suggestions of inflation schemes include. Manufacturers could thus expand their business," continues the *Eagle*, in describing the plan, taking it for granted that increased prices would *not* reduce consumption.

WE do not know Mr. Spence, but we would say that if he is serious, and of course he must be, his plan is no more ridiculous than many that are suggested. Perhaps the *Eagle* in giving the plan a kind of sanction is laughing in its sleeve. We do not know. But we do know this. We know that the workers in the Lancashire mills rioted when the Arkwright spinning jenny was introduced and the arguments used were those of our Brooklyn friend. They had rather more excuse than the strange Mr. Spence,

for the opportunities for elementary education are greater today. His suggestion appears to be sort a of Single Tax on machines to relieve altogether what he calls "real estate." So perhaps there is method in his madness. But think of a Senate Judiciary Committee listening to it!

THE dislocation of our banking system is not of course something in itself. It is directly consequent on the breaking down of our economic system. And at such times there always follows a flood of theories dealing with the money question. It was so following the depression of 1893, with the appearance of "Coin's Financial School," marked by its extraordinary circulation and the curious political phenomenon of Bryanism, when the Nebraskan swept a national convention off its feet with the cry echoed from coast to coast, "You shall not crucify mankind on a cross of gold," when he should have known, if he knew anything, that it was not the gold standard on which mankind was being crucified, but something quite different. Poor Bryan, who ended his career by attacks on a curious theory of the descent of man from the monkey, which he thought was Darwinism!

IT is strange how the money question, so-called, tempts so many really good minds into lunacy. Herbert Spencer thought that the government should have nothing to do with the issuance of money, beyond stamping the coinage and guaranteeing its weight and fineness. Henry George, on the other hand, considered the issuance of money as purely a government function. Both of these theories may be logically defended; either, under proper economic conditions, we have no doubt, may be made to work. But between them lies the twilight zone of a hundred theories of money that are nothing less than fantastic, Prof. Irving Fisher's india rubber dollar, the energy unit of the Technocrats, a periodic change in the gold content of the dollar, together with schemes of inflation, wide, varied and numberless as the sands of the shore.

AND no apprehension in the minds of these people, apparently, of the purely subsidiary nature of the money question. We had an earthquake recently in California, due, as the seismologists tell us, to what they call a "fault" in the earth's strata. Suppose it were possible to get down below earth's surface, remedy the "fault" and make the foundations secure. We need then no longer