

holders of our natural resources and valuable city lands the rent they owe society. The method is one which experience has shown to be just, practical and economical. For comparison of the value of our land sites and natural resources with our necessary public expenses shows that their rental value is more than ample for the support of our government."

The Chairman of the Central Council of the Youth of America is Walter Hecht, and secretary, Marian Mills, 3009 Narragansett Avenue, Chicago.

"Fixing the Price of Wheat"

IT has just cost the American people some 184 million dollars to learn two simple economic truths, first, that you cannot fix the domestic price of any commodity which is produced by the entire world; secondly, that the Law of Supply and Demand is still working.

The purpose of the Federal Farm Board Act passed in 1929 was to "peg" the price of wheat and certain other commodities so that the American farmer could be guaranteed "reasonable" profits. The Farm Board, during its stormy career, purchased about 908 million bushels of wheat at about ninety cents a bushel and attempted to hold it off the market to create an artificial scarcity and boost prices to the American consumer. The carrying charges on this wheat, at one time, were estimated at four million dollars a month. Thus were our farmers to be enriched at the expense of our entire population!

That forgotten man, ex-President Hoover, described the law creating the Farm Board as

"The most important measure ever passed by Congress in aid (sic) of a single industry."

The price of wheat in June, 1929, when the law was passed was \$1.22 a bushel; the price in April 1933, when the Farm Board, thoroughly discredited, ceased its activities had descended to 25 cents a bushel or about one half the cost of production.

This was not the first attempt by Congress to fix the price of a commodity. In 1890 it sought to "peg" the price of silver by buying and hoarding vast quantities of that metal. That experiment helped to bring on the panic of 1893.

Is it any wonder that the Senate of the State of Texas on January 12 last

"Resolved, that we implore our Representatives and Senators in Congress to desist from further attempting to interfere with natural economic laws and further meddlesome efforts to control production and price-fixing and urge especially upon Congressmen and Senators to oppose the passage of this bill and take from the neck of the producers of this nation the yoke of governmental control and dictation."

Between 1900 and 1914 the world produced an average of three and one-half billion bushels of wheat annually. The Great War virtually ended the production in Europe, particularly in Russia. Prices shot up, stimulating pro-

duction everywhere. Canada doubled its production in five years; the United States increased its wheat crop about 100 per cent, from 522 million in 1900 to one billion bushels in 1915. Argentine and Australia likewise multiplied their wheat acreage. In short, in all nations marginal land was brought into intense cultivation.

With the termination of the War in November, 1918, the Central Powers and Russia again began to raise wheat. But these newer countries which had profited enormously when wheat was relatively scarce and selling around \$2.00 a bushel, could not, overnight, cease producing wheat. As a result, production continued to soar. In 1930 for example, it reached almost 5 billion bushels.

Demand, on the other hand, progressively declined. This was due to two causes, namely, that during the war years the world had been forced to use substitutes, and to the inability of 35 million unemployed men to buy the wheat they so sadly needed.

Countries not producing sufficient wheat for their own needs raised their tariffs to encourage home production and shut out competition from the United States and other great wheat-exporting nations. These duties amount, in the case of Italy, to \$1.07 a bushel, France, \$1.71; Germany, \$1.60. Moreover each of these countries limits imports to specific quotas. The countries just named, for example, forbid the importation of more than three per cent of their domestic requirements and stimulate production of the remaining ninety-seven per cent by their own farmers. Norway, Sweden, Belgium, Spain and other countries, where comparatively little grain is grown, followed in the footsteps of the larger nations. The consequence was that the unnatural high prices prevailing within the restricted countries unduly stimulated production of wheat within those countries and inevitably led to price crashes.

In the face of increasing "surpluses" all over the world the American farmer kept on producing more and more wheat, being encouraged in the belief that through the Farm Board, the Government, somehow, would rescue him from the consequences of the inevitable "surplus." (We know of course that there is no real "surplus" so long as millions lack wheat, as they do).

Prices in the United States tumbled, as I have said, from \$2.20 to 25 cents a bushel, the lowest since the days of Queen Elizabeth, over four hundred years ago. Canada, Australia, Argentine, and the United States, on December 1 last "carried over" 745 million bushels surplus for export. Of this vast quantity the United States, alone, held 416 million bushels where normally we carry only one-quarter of that amount.

Despite mounting surpluses the Federal Farm Board attempted to lift prices by absorbing the comparatively small domestic surplus. When its attempts to regulate price failed, Congress learned, what any economist worth his salt could have told it in the beginning, that not even

the United States Treasury was strong enough, to hold up artificially, the price of a single commodity.

The Federal Farm Board Act will go down in history as the monumental blunder of our generation in attempting to fix price.

Have we learned anything from this experience? I doubt it.

With a sublime faith in the perfection of its own theories of economics, Congress on May 12 last passed another law designed to lift the price of nine commodities, namely, wheat, corn, cotton, oats, hogs, tobacco, rice, milk and milk products. Under the new plan the Secretary of Agriculture will fix "quotas" for production of these "basic" commodities, and sell or lease lands *for withdrawal from production in order to reduce marketable quantities of these commodities*. In short, we are to get rich by decreasing wealth!

Alongside the new Law, the old Farm Relief Act was simplicity itself. Alongside the 184 million dollars lost in attempting to regulate the price of wheat, the losses to be incurred under the new Act will be ten times that amount.—B. W. BURGER.

A Man of Fire

BERNARD SHAW said the other day that hearing one lecture by Henry George had changed "the whole current" of his life. Tolstoy mentioned George's name with worshipful reverence. Lenin read him. Sun Yat-sen's most practical ideas came from him. Lloyd George and Philip Snowden frankly acknowledge their debt to him. He has been honored by great men in other countries as far apart as Denmark and Uruguay.

Yet Henry George, says Lewis Gannett in an article on this great man in the *New York Herald Tribune*, is still a prophet almost without honor in his own country. Mr. Gannett seems to think this is due in part to George's principles:

"Why is it that Henry George's followers, the Single Taxers, lapse so monotonously into worthy dullness? One admires them; one is never fired by them. Even Albert Jay Nock, who wrote so superbly on everything else when he was editing the old *Freeman*, sank into dullness whenever he touched the subject for which his magazine was founded—the taxation of unearned increments in land values."

Henry George himself was "a man of fire." He ran off to sea from Philadelphia; he lost money in a hundred California wildcat gold-mine schemes and earned a mere living slaving for a score of California newspapers. It was the sudden rise in unearned land values, due to the arrival of the transcontinental railway in Sacramento—that and the remembered spectacle of poverty in the rich city of New York—which awakened George to the scandal of private appropriation of land values. The awakening, says Mr. Gannett, "made him a flaming crusader," and when he ran for mayor of New York he was to the respectable "the worst kind of rabblouser" and "more menacing than any American Socialist or Communist who has ever appeared since," while "to his followers he was a god."

Whether another "man of fire" is needed to convert the mass of people to George's ideas or not it is hard to say. But a reading of his books by the younger people of today would do a tremendous service to mankind. Whatever may be said of his arguments, he was undoubtedly one of a very small number of definitely original social philosophers of all time.—Editorial, *Ottawa Evening Citizen*, April 28.

What Many Prominent Men Have Said of Henry George And the Cause He Stood For

WE would not have it understood by our readers that they need accept on the authority of others the principles Henry George stood for. They must learn to think for themselves. It is significant, however, that from all ranks of life and human activity have come endorsements of the man and his work. This should at least lead others to think.

I am inclined to think that no writer of our times has had a more profound influence upon the thinking of the world than Henry George. I have read "Progress and Poverty" several times.—NEWTON D. BAKER.

Henry George was as guileless as a child and as sincere as a martyr.—WILLIAM JENNINGS BRYAN.

The country needs a new and sincere thought in politics, coherently, distinctly and boldly uttered by men who are sure of their ground. The power of men like Henry George seems to mean that. We must husband and administer the resources of this country for their common benefit.—WOODROW WILSON.

I believe in the Single Tax. I count it a great privilege to have been a friend of Henry George.—SAMUEL GOMPERS.

I believe that Henry George was one of the really great thinkers produced by our country. I do not go all the way with him, but I wish that his writings were better known and more clearly understood, for certainly they contain much that would be helpful today.—FRANKLIN D. ROOSEVELT.

Farewell, Henry George! Great, honest, pure heart and brain, farewell! You are one of the few men of the age whose names are to survive!—WILLIAM J. GAYNOR.

It is the thorough fusion of insight into actual facts and forces, with recognition of their bearing upon what makes life worth living, that constitutes Henry George one of the world's great social philosophers. It would require less than the fingers of the two hands to enumerate the social philosophers who, from Plato down, rank with him.—JOHN DEWEY.

All this exploitation would have been avoided if we had only had the sense and foresight to insist that the land should remain national property; that all rents should be used for public purposes. If this had been done there need have been no slums, no ugly mean streets and buildings, nor any rates and taxes. Everybody would benefit by the rent; everybody would contribute to it by work and no idlers would be able to live on the labor of others. . . . My ambition is to repay my debt to Henry George by coming over to America some day and trying to do for your young men what Henry George did nearly a quarter of a century ago for me.—GEORGE BERNARD SHAW.

I believe in the philosophy of Henry George.—SIR WILFRED LAURIER.

Economics has never been a dull subject to me. It is a science that affects every human being. It is because Henry George steeped the subject in the splendor of his