

Georgist Notes on Denmark

ADDRESSING the opening of the centenary session of the Danish Rigsdag (Parliament) Premier Hedtoft outlined the principal features of his party's program, as follows: trade restriction introduced during the war to be abolished, lower income brackets to get tax relief, a committee to be established to control monopolies and trusts, voting age to be reduced from 25 to 21 years of age, and legislation to be introduced to increase taxation on consumer's cooperatives and land values.

The Wholesale Merchants' Gazette a Danish trade newspaper, lambasts the Social Democrats (ruling majority) for the limited reform of trade restrictions. In the pre-election campaign it was assumed from speeches made by the majority party that all trade restrictions would be repealed, particularly the Foreign Exchange Center law of 1932. This law paved the way for protectionism, planned economy and industrial subsidies the attendant bureaucracy, actually decreased the workman's real wages by 12 per cent. In illustrating the absurdity of national planned economy Vejen Frem published this cartoon.

Der er kommet Porter



"Stout Has Arrived"

"Isn't it a splendid idea; the English can't afford drinking their own stout, and we Danes can't afford to have our own beer, and so we exchange it, each exporting to the other! Wonderful isn't it!"

Socialization Through the Back Door

The Social Democrat majority argues that socialized housing can rent apartments cheaper than private enterprise, but neglects to mention that the government corners the materials market, restricts private builders and subsidizes cooperative building with the taxpayers' money.

An extensive publicity campaign launched by the Justice Party, inviting the public to a series of taxation forums began in October of this year. Over 100,000 forum leaflets were distributed with ration cards in the public schools while platoons of demonstrators carrying huge placards paraded through the streets of Copenhagen. "How To Reduce Our Burdensome Taxation" is the theme of these meetings, which are presided over by Georgists Knud Tholstrup and Robert F. Jensen.

In parliament, the Justice Party members were elected to three permanent committees of the government. They voted against the increased subsidies for the Danish Airlines and protection of the peat industry by tariffs. The production of oil from peat was a wartime measure, expensive and uneconomical. Knud Tholstrup asked the Danish Parliament to re-

move the tariffs on imported oil which is cheaper and finer than the home produced product. He also pointed out that the subsidies to keep down the consumer prices on milk and bacon were no longer necessary and directed the Minister of Agriculture's attention to the fact that cooking fat could be imported from America at half the price it sells for in Denmark if the trade barriers were removed. Although the Justice Party gets very little notice in the Danish independent newspapers, its influence is realized in spirited public action. When the Justice Party initiated a signed protest to the Minister of Finance criticizing the present system of restrictive taxes, workers groups followed suit with similar protests. It is true, however, that all parties are agreed that taxes are too high, but almost in the same breath the Conservatives and the Social Democrats seek ways to give free lunches in the schools . . .

Write to Auntie in America

Many Danish business men have accepted the war-time measures of doing business. They have mastered the red tape, quota reports and other restrictions and they find that these restrictions assure them of a buyers' market due to the artificial shortage of materials. In the garment industry the small retailers belatedly realize, with some dismay, that sales are gradually falling off. It appears that the consumers would rather do without the drab new garments which the Trade Directorate thinks fitting for the Danish public. The Directorate does authorize the import of good English wool and worsted with the stipulation that the manufactured finished clothing be sold to Norwegians, Swedes and Finns for hard money or American currency. However the potential buyers have discovered that fine woollens and worsted can be purchased directly from England, and the Danes are left holding their planned economy materials. Canning officialdom found that dollars could be had for this material if each Dane wrote to a relative in the U.S.A. for dollars in order to purchase material. A small-town clothier elaborately displayed 500 yards of English material with a sign stating that the cloth can be bought for \$32 in check or cash, and continues with the following "write to your aunt or uncle or somebody in America willing to send you dollars and I can sell you enough for a suit."

Adjacent to this display was another, showing more fine English material—the legend reads "For Finns, for Swedes, and Norwegians" and opposite these was a drab tweed suit of mediocre quality marked "for Danes." Other signs read: "if we were free from the Trade Directorate you too could get the merchandise you want" and "the authorities are more interested in prices than in quality goods, we clothiers can solve the problems of supply if we are permitted to manage our own purchases!"

It is hoped that displays like these will open the eyes of the Danish public to the inadequacies of planned economy. As Professor Wilhelm Ropke stated at a Jutland University, the only factor that up to now has prevented the collapse of planned economy in Denmark is America's helping hand—it alone keeps this so called democratic socialism from falling into the abyss of totalitarian collectivism.

—ARTHUR LEA

The Blind Leaders

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Land is not capital and does not cost anything in human effort. Everything else does. That is the difference which sharply and cleanly separates land rental from payment for the use of buildings, tools, and stocks in trade. Capital is a tool, and the man who created it should retain what he earns from its use. Tools are used to perform service, they should be encouraged. Money invested in the privilege of exacting tribute in the form of land rent is not capital—it is not usefully invested.

All monopolies other than land are simply opportunities for someone to get a little more than he deserves for what he gives, until competition or buyer resistance checks him. Cartels? Stockholders and bondholders? They are simply participants in corporations that may be good and useful or evil and leechlike. Remove privilege and they will adjust with the change.

The resentment against big corporations is purely habit thinking. Admittedly some are evil, but most of them spend fabulous sums in research seeking new processes, economies, and products, and you buy from them because you want their product. You don't have to. You can buy something else or refrain from buying. But you do have to have a little space on earth. That is one monopoly you can't escape. What other monopoly were you ever compelled to deal with? Nobody ever had to buy a particular make of car. Nobody ever had to buy a copyrighted novel that made an author rich.

Where would we have been in 1942 if it had not been for our great financial structure? Yet the National Association of Manufacturers has been the target of elaborate abuse and has spent millions of dollars, attempting, and with little success, to make the American people realize the greatness of something that they should be automatically and unthinkingly enthusiastic about.

A wise friend once said to me that there is a difference in the definition of the word *capital* here and in Europe. Here it is a method of doing business—there it is a class. The preponderance of class there is based on the claim to land "ownership." The landed gentry soon came into possession of everything, including the people on the land.

How fine it would be if we could say to other nations, "abolish privilege and all taxation that can increase the cost of living. As you prosper your land rental will grow. Collect that and that only—spend it in the public interest. Your industries will pay higher wages when they are freed of taxation. Your land, freed of speculators or idle landlords, will be accessible to those who can use it. Employment will be provided and workers will soon be scarcer than jobs. Earning workers make sound customers for business. Since no one will live by tribute, effort will bring more reward. Then if you want help we'll help you . . . but you won't need it."

The dream of economic freedom in a peaceful world is now in the process of being realized. All the other accomplishments were first dreams, then blue-prints, then material realities. Our dream is being changed into a blueprint in the minds of our students. Frustration and hopelessness drop from them. They now have economic freedom for the focus of their minds. Each one who learns becomes a unit in an expanding dream, and when enough are taught, they will do what is necessary to make the dream a reality. —EVA L. MAXWELL