

A Confused Economist

CHARLES HECHT, former Councilman of Lakewood, N. J., a pioneer Single Taxer, who was in the Henry George campaign for mayor of the City of New York in 1886, sent the following question to the *American Freeman*, edited by E. Haldeman-Julius of Gerard, Kan.

QUESTION: Would you consider the Single Tax, as advocated by Henry George, if generally adopted, a fundamental remedy for the existing economic conditions?

ANSWER: "Henry George has never impressed me as an important economist. He made a great splash, but only among immature and superficial students of economic phenomena. His "Progress and Poverty," written in 1879, is a solemnly pretentious work, motivated by a sincere desire to help mankind, but nevertheless an incomplete description of the social evils facing us and a thoroughly inadequate solution.

"Henry George was not an original, creative thinker. The basic ideas described under the general theory of the Single Tax originated with the French economists of the 18th Century, known as Physiocrats. Quesnay, the chief theoretician of the Physiocrats, based his economic philosophy on the then sound premise that the major part of man's wealth came from the soil. George, writing a century later, had already seen vast advancements in the industrial and financial processes, which he blandly ignored and then proposed an exclusive tax on rentals. There was to be no other levy.

"Such a theory might be made to fit into an exclusively agricultural economy, but imagine the absurdity of such a programme in a day of large-scale industry, machinery, billion-dollar banks, capitalists and all the other manifestations of a capitalistic society, in which the bulk of wealth no longer comes from the land but from industry.

"Henry George, as late as 1891, defended capital and interest, and merely insisted on taking 'for the community the value that attaches to land by the growth of the community.' Not only was private capitalism to be untouched by the state, but it was to be completely free of assessment by the tax collector. This would mean that J. P. Morgan and John D. Rockefeller, each being expressions of financial and industrial capitalism, were not to be taxed, either on their business, their incomes, or their estates at their death. Single Tax is as dead as the dodo. It is now merely the peculiar notions of a group of senile eccentrics."

If Henry George did not impress Mr. Haldeman-Julius as an "important economist" it is because E. Haldeman-Julius is evidently a superficial thinker. Thousands upon thousands of intellectual people including the world's most imminent economists consider "Progress and Poverty" as the greatest book on social and political economy ever written.

Mr. Haldeman-Julius like a good many more of his ilk who pretend to understand social and economic questions pose as teachers to the unwise and misinformed and fail to grasp the fundamental remedy themselves and unjustly criticise Mr. George because of their lack of knowledge on the subject. Mr. Haldeman-Julius says that Henry George "made a great splash among immature and superficial students." Among the many men who agreed with Henry George on economics, who, according to Mr. Haldeman-Julius are "superficial students of economic phenomena," are the late Prof. Felix Adler of the Ethical Culture Society, who entered the campaign

of 1886 in behalf of Mr. George, Samuel Gompers, late President of the American Federation of Labor, who escorted Mr. George to many factories during the campaign where Mr. George addressed the employees, Lloyd George, Ramsay MacDonald, Theodore Roosevelt, President Woodrow Wilson, Newton D. Baker, Franklin Lane, and William B. Wilson, members of the Wilson cabinet; Prof. John Dewey, the late Lucius F. Garvin, Governor of Rhode Island; Tom L. Johnson, U. S. Senator Woodbridge, H. Ferris, Edwin Markham, Mark Twain, Prof. Irving Fisher, Bishop Huntington, Judge Samuel Seabury, and thousands of other intellectual men and women throughout the world.

"Progress and Poverty" has been translated into thirteen languages, including Chinese, and over 6,000,000 copies have been sold. Does this jibe with the statement that Single Taxers is as "dead as the dodo?" Furthermore, the Single Tax has been adopted in part in Pittsburgh, Pa., where at the last election a Single Tax mayor was elected; in Fairhope, Ala., in Edmonton, Can., in Australia and in various parts of the world.

This proves that people over the entire world are taking a practical and lively interest in the philosophy of Henry George.

In the City of New York, recently, the Board of Education conducted an essay contest in the thirty-seven high schools of the city and more than 1,500 essays were written by students on the philosophy of Henry George. At the commencement exercises followers of Henry George, who awarded prizes to the successful students, addressed audiences of over 30,000 people on Henry George.

In each of the libraries of the high schools there is a set of books by Henry George available to students, and they are constantly consulted.

About two years ago the name of Henry George was presented by the Committee of the Hall of Fame of the New York University—for the purpose of having his statue placed among the other immortals; only a few votes were lacking for his election, but, it is almost certain that at the next election enough votes will be cast favoring the placing of his statue in the Hall of Fame. Does this seem as if the "Single Tax is as dead as a dodo" and that it is "now merely the peculiar notions of a group of senile eccentrics?"

Haldeman-Julius said "That Henry George's work is an incomplete description of the social evil facing us and is a thoroughly inadequate solution of social evils. This statement is not borne out by the facts. He pointed out in "Progress and Poverty," the causes and cure of industrial depressions and answered in advance, in the book, the criticisms that may be made of his theories, and during his life, he exploded many of the so-called objections that were made to his philosophy, and his followers have done the same since his death. If Mr. Haldeman-Julius will carefully read "Progress and Poverty" he will find that Henry George was not only a great economist

out a prophet as well. The social and economic conditions of today are, as he predicted they would be, if private ownership of land was not abolished. He proved that in spite of an increase in the production of wealth, wages tended to a minimum and that the inequitable distribution of wealth made the comparative few enormously wealthy and the great masses correspondingly poor. This he proved was because of the private ownership of land.

Henry George did not claim, as Mr. Haldeman-Julius says, that he was original in discovering that ground rent should be taxed into the public treasury, to defray public expenses; he gave credit on many occasions to the French Physiocrats, notable among them being Quesnay, but, what he claims and justly so, was that he was original in advocating the Single Tax on land values to pay the public expense and that all other taxes should be abolished. By this method of taxation there would be created a just distribution of wealth and all men who worked would receive a just return for their labor.

Mr. Haldeman-Julius like many loose thinkers, on the social and economic questions, gets confused when he says "the bulk of wealth no longer comes from the land." All wealth is produced by labor applied to land. This agrees with such noted economists as Adam Smith, Herbert Spencer, John Stuart Mill, et al. He showed that instead of wages being drawn from capital as some economists contend, capital is drawn from wages. Haldeman-Julius like all socialists confuses the terms "capital" with "monopoly" and would abolish the so-called capitalistic system, whereas if land monopoly were abolished special privilege, which is based on land monopoly, would cease and all the evils of our so-called capitalistic system would disappear.

Mr. George states that wages are not drawn from capital but that true capital is drawn from wages. He says, "If for instance—I devote my labor to gathering bird's eggs, picking wild berries, the eggs or berries I thus get are my wages; surely no one will contend that in such a case wages are drawn from capital. There is no capital in the case, an absolutely naked man thrown on an island where no human being before has trod may gather birds eggs or pick berries."

Mr. Morgan and Mr. Rockefeller and other millionaires are not "expressions of private capitalism," as Mr. Haldeman-Julius states, but the expressions of land monopoly.

Haldeman-Julius says the "Single Tax is now merely the peculiar potion of a group of senile eccentrics." I would like to know what the Single Taxers and other intelligent economists think of this balderdash of Mr. Haldeman-Julius and his group of would-be economists.

EDWARD POLAK.

Work of The Manhattan Single Tax Club

CLUB activities in the past two months have been unusually interesting. President Charles H. Ingersoll's public meetings were as follows:

Y. M. and Y. W. H. A., Paterson, Feb. 4. This invitation came direct as repetition of one of last year which could not be accepted. Geiger and others have talked to this audience, which is very fine in general character and responsiveness. About 250 present including a great many of general public. An original talk of 45 minutes and answered questions for two hours. This is an example of a town that must be pretty well informed about Single Tax through this organization. Quiz especially intelligent and interesting. Chairman, Harry S. Albert.

Taxpayers Protective League of Newark, Feb. 6. This invitation came through Mr. Lane from Charles Becker, attorney, 114 Market Street, leader of the association. Meeting started at 9 o'clock with various speakers who continued till after 10. Mr. Ingersoll was enthusiastically introduced and received by 250 people who are looking to city management as the way out. An original talk with complete interest and much applause. They are going to give Mr. Ingersoll a whole evening and perhaps with Mayor LaGuardia in Krueger Auditorium. No quiz.

William Sloane House (Y.M.C.A.) N. Y., Feb. 27. Invitation came through Mr. Ewing, Secretary. Dinner in Mr. Ingersoll's honor. Original talk lasting 30 minutes; 60 present. Excellent quiz lasting 30 minutes. Visited a class in another room of about 40 men conducted by Board of Education, dominated by Socialist element which yielded to pressure of questions. Men very anxious to know more and gave Mr. Ingersoll the idea of classes before such organizations, which he is following.

Advertising Club of Newark, March 5. Fifty present; nice crowd; prominent men like Eugene Farrell of the *Newark Evening News*, who introduced Mr. Ingersoll. Mr. Chambless, of Fidelity Union, and Nat. Freiman. Talked for a half hour and tried to get them to questions but chairman kept interrupting for adjournment so there was not more than 15 minutes. Expected a larger crowd but quality replaced numbers.

Allenhurst Citizens and Taxpayers Association, March 13. A very interesting meeting led by Mr. Walter Reid, prominent real estate man who is trying to make his townspeople "tax conscious." Forty present, who were intelligent on taxation and very much interested in Mr. Ingersoll's 35-minute talk on their particular problems, followed by a quiz of an hour and a half. Mr. George White of Long Branch was there with friends. The association is planning another meeting for Mr. Ingersoll to extend information on our philosophy.

Mr. Ingersoll's broadcasting has been building up from

LIBERTY is fortunately not an individual. Otherwise the courts would be clogged with libel suits against the misinformed but loudmouthed patriots who insist on calling the United States a "land of liberty."