

BROKEN PROMISES

When the platform of our party was announced in Chicago in 1932 I embraced it, and when I heard on the radio our nominee give his solemn assurance that he stood heartily for every plank in it I hailed him exultingly as our chief and our hope for political salvation.

Since then the "wet" feature went through with a bang, much to the gratification of many New York Democrats, but to our amazement every other plank in the platform has been repudiated and the very opposite action taken.

Now I ask are we who still adhere to that platform, utterly abandoned by our administration, to be branded as renegades to our party? Who are the renegades? Must we blindly follow a lot of dudes and Johnny-come-latelies, who are installed in the temples of our government and seek to destroy the old order and the safeguards to our liberties, and set over us innumerable federal bureaucracies to regulate all the affairs of our life, or be branded as renegades?

I stand on the shattered remnants of the platform of our party and shall stand for the principles of our party after these bizarre people and Republicans have abandoned it, which they will do when the money bag is gone. The party of Jefferson is still my party.

Address of COL. WM. C. HARLEE in the *Herald and News* of Newberry, S. C.

INFLATION OF LAND VALUES

The objective facts about the discovery of a new oil field at Yoder, Kan., the consequent retreat of the Amish people from that place and their migration to Iowa, were clearly stated in your editorial for March 18.

The larger factual background is that in Iowa and elsewhere, these primitive religious folk, by refusing to speculate in ground values and maintaining their land on a deflated level, not only rode through the so-called "prosperity" before the crash of 1929, but also the subsequent depression years, when the average farmer has been swamped in the wake of land inflation, and most of our bank-mortality has been connected with "frozen paper" based on land which was bought, sold, rented and mortgaged far above its productive worth.

While the Amish people do not understand economic problems in the technical sense, they nevertheless grasp the fact that high rental and selling cost of land has something to do with the plight of civilization. Their mere refusal to sell their lands on speculation, and their naive retreat before the threat of rising land values, is of course dodging the issue.

The Amish have long found a haven in certain parts of Iowa, a State where corn land could be had for fifty dollars in the deflationary period about two years ago (1934). But in the following year (1935), General Hugh Johnson, of NRA fame, visited the State and said: "You couldn't look at some of this rich plough land for one hundred and fifty dollars an acre. The big insurance companies have set that value for loan appraisals on some of it. Rich eastern wise guys are buying it as a hedge against inflation. That part of this astonishing recovery is very bad and very dangerous. This too rapid rise in land values is a dangerous symptom of a possible terrific inflation. If that can be avoided, everything else out here is to the good." (*New York World Telegram*, quoted by permission).

But General Johnson, like the Amish people, catches sight of the fundamental problem and then shies away from the facts. A journal as conservative as the *Magazine of Wall Street* was frank enough, before the crash of 1929, to publish an article saying, "Every panic in our country has been preceded by an orgy of land speculation. The culmination of every period of prosperity was a land boom and a panic."

There has never been recovery from any of our depressions until ground values, in city and country alike, have been flattened out to a point where productive industry could resume operations while carrying the current taxes on production. If we are making any recovery today, it is through deflation of ground values, and not be-

cause of the New Deal. Indeed, one of the bad points of the New Deal is its unsuccessful attempt, through the use of public money, to bolster up financial weak spots due to sagging ground values.

It is only in the proportion that land, in city and country alike, is accessible to industry that any real prosperity is possible for the business man, the farmer and the laborer. But we are living in such a topsy-turvy regime that people actually expect prosperity in the degree that higher costs make land, or "space," less and less easy to buy or rent, in city and country.

If, as General Johnson believes, the reinflation of farm land is dangerous in Iowa, then inflation is bad anywhere and everywhere; because if both agricultural and city land reinflates all over America (which is now tending to take place), then the rental and selling cost of the ground becomes a further liability on production at the very time when industry is carrying the biggest burden of taxation in our history.

One of the most prominent and widely quoted statistical economists in the United States has recently said that he believes in shifting taxation to a large degree from productive industry to ground values, so as to absorb the rent of land into the public treasury in lieu of other taxes, and to prevent speculation in ground values. But he adds that the American people must first have a great moral and spiritual awakening before such a policy can be established.

Another angle on the subject is furnished by the pessimistic philosopher, Clarence Darrow, who says characteristically that the policy is O.K., but the American people will never vote for it because it is so simple!

Great numbers of people are attracted to the Marxist philosophy, which carries with it a highly dramatic and easily understood picture of the government taking over the factories. But nobody has ever been able to draw a picture of the unearned increment growing up on a vacant lot. And as for land—well, most of us think of land as if it were something just out in the country!

LOUIS WALLIS in *Christian Century*.

THE FUNDAMENTALS OF ECONOMIC JUSTICE

Sages and law-givers throughout the ages have recognized the fundamentals of economic justice. Space does not permit citation, but these are from the Old Testament: "The earth is mine and I have given it to the children of men." "The earth shall not be sold forever." (Both were at least in part obeyed by the redistribution of land in the "Jubilee year"). Another comes from Sir William Blackstone: "There is nothing in *natural law* whereby words written on parchment can convey dominion of the land."

It is therefore obvious that—leaving aside the exceptional and rare cases of those who can obtain spiritual freedom by rising above their environment—freedom and justice are impossible as long as private monopoly of land and other natural elements is permitted to prevail. Nor can there be a permanent improvement in men's material conditions; for any advantage which accrues from economic or social development increases the value of such monopolies and redounds to the disproportionate advantage of owners. This is the basic reason why poverty keeps step with progress—the modern riddle of the Sphinx which civilization must answer or be destroyed, declared Henry George. And one can well agree with John Dewey, America's foremost educator, that no one's education is complete without first hand acquaintance with the work of this social philosopher, among the most eminent five since Plato. Protagonists of freedom and justice should educate themselves to become more effective in the establishment among men of those divine principles and practical applications of universal brotherhood.—*Theosophy*, April, 1936.

IGNORING THE OBVIOUS

The adage that the obvious is seldom seen, is true in the case of the search for the cause of depressions. In the present instance, the