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Ec. Profession -- what it
is (timid rejects, egomaniac
world savers); & what it
might be -- highly paid
efficient consultants on
technical questions of social
organization.

Rossi - Peria

They pick on those below
them because they fear
those above.

Are you really interested
in solving the issue at hand, or
just trying to draw attn. to
yourself?

I take it, then, you concede
defeat?

Run out of arguments again, eh?

Reply to dirty crack:

Well if you don't have anything substantive to contribute to the discussion, I suppose ~~that is as~~ cracking jokes is as smooth a way out as you could find.

If you don't have any answer, that is a good way to change the subject.

I take it, by your evading the issue, you have conceded my point.

Projected brief essay: or speech
How can economists influence? By unanimity

Plea for scientific objectivity
in ec. ~~Go~~ Ec. is battleground
for rival special int. groups.

Must develop a professional
opinion, above special pleading.

Give quotes showing obvious
bias.

Static danger in unanimity.
Conflict may go with progress.
But to consolidate gains, must
agree on some things

— ~~is~~, ~~thesis~~, like so many
before him, has picked one
barely perceptible, ^{hardly} conceivable
~~process~~ relationship in a
complex process, & attributed
exclusive ^{causation} importance to it.

It is a noble aspiration,
to ~~make~~ show ~~simple~~
basic laws that reduce
otherwise bewildering
complexity to simple
formulae. But the formulae
— provided the formulae
are correct. Prof. —

has & oversimplified a
complex situation. & then,
alas, overcomplicated
his exposition of the
oversimplified
explanation.

Allude sagely to
some vast, shadowy body
of knowledge, cite as
authority.

(e.g. ~~group~~ "reference group
theory")

I am not pretendj to be
Newton, any more than one who
aspires to lead a Christian life
is pretendj to be the founder of
that faith.

are taught to
Emulate ^{the best} ~~good~~ models. Is

curious we shd be criticized for
doj so

Scribes & Pharisees.

E. puts finger on Bernie's technique. He is vague, & looks as tho he has said something very meaningful, which the know'g will grasp & fill in miss'g details.

So no one dares ask for clarification lest he appear slow. & all worry that they are being slow.

(Many ec. fads proceed this way!)

Solution: don't ask for expl-n, but say "That's a vague, ambiguous etc. statement. ~~Be~~ Specify. So what?" There's nothing behind it.

The trouble with economists

" . . . the real charm of the intellectual life . . . is its easiness. It's the substitution of simple intellectual schemata for the complexities of reality; of still and formal death for the bewildering movements of life. . . . The intellectual life is child's play; which is why intellectuals tend to become children . . . It's much easier to be an intellectual child or lunatic or beast than a harmonious adult man. That's why (among other reasons) there's such a demand for higher education. The rush to books and universities is like the rush to the public house. . . . this famous Search for Truth is just an amusement, a distraction like any other, a rather refined and elaborate substitute for genuine living."

Huxley, Aldous, Point Counter Point, NY: Avon Publications, Inc., Copyright 1928, pp. 329-330

I regret finding myself in conflict with one in whom I find so much to admire; & to find that wit, whose I have so often enjoyed, now turned vs. me.

I had hoped the elder statesman might see in my comments something to his liking, despite their amendments to his cherished writings. But he has chosen to draw his fearsome weapon from its scabbard, ~~shake some~~ lunge ~~it~~ in my direction, & before I could wipe the ink spots from my eyes, shoot 'touché' -- as tho he were referee as well as contestant.

So I reluctantly take up arms to defend myself from one I had hoped might prove a friend.

scurrilous; uncouth; indecorous; barbaric; ill-bred; imprudences

.. "the little gratuitous insults with which you embellish your remarks seem to me to add nothing to their substance, or only to detract from what little substance they may have."

Impressions of correspondence between JRM and M.R. Benedict.

JRM is impassioned, contentious, non-sequential. Benedict is cool, careful, and is offended by attempts of JRM to make it appear that Lincoln was a Georgist, e.g., without ~~xxxxxx~~ adequate evidence. Remarkable that a man like Benedict, to whom I would attribute much greater ability to objectively find the truth than Mason, should be so wrong, when Mason is so right. Benedict is convinced that scholastic economists are competent, which is his basic error.

Refers to Frank Fetter, Princeton, who has challenged Ricardo's rent concept, made investments in land look like other investments. But Benedict doesn't go all the way with that thinking, thinks land rent differs from other rents in some ways.

Benedict's criticism's are good. Mason would have done well to heed them. Benedict criticizes Mason for his irrelevancies, untruths, personal attacks, insufficient evidence, etc. But Benedict is the lesser man, all the same. He is overwhelmed by "the complexity", and will take no positive position.

Benedict thinks we are moving toward "land nationalization", but slowly & carefully, so as not to hurt anybody.

Benedict resents Mason's saying he is influenced by the rich.--which doesn't prove he isn't. But I suspect rather he is just cautious and despite his obvious intellectual attainments, stupid.--in the same way most people are stupid toward Henry George.

His resentment of HG propaganda is a lesson. Such propaganda must make more enemies than friends? I don't know. Union propaganda is similar.

All I can say to J. Rup. now about this, all I can conclude to myself, is that "propaganda" does not ~~apxxaxt~~ influence college professors. It happens not to influence me, either, and my general attitudes are close to Benedict's as far as what an intellectual scientific honest presentation should be. But propaganda, for all I know, may carry more weight generally than science --- I don't know.

"I'm for it, but you'll never
convince those other guys.
(Therefore I'm against it)"

Freely translated, this really
means: "I'm against it, but I
do not want to admit it to this
group, or perhaps even to
myself." "So I'll blame it
on someone else."

" - - - you mean because I disagree
with your ideas I am therefore unkind to
little children?"

Mr. X ^{is pitching} has pitched me such a low ball I would not
ordinarily swing, but as some of ^{his} ~~the~~ ^{rearmates} spectators are calling
them strikes, I shall swing on a few, regretting that
not much can be done from such a poor start.

Health Meeting Takes Mixed Stand on School TV

By **BERNARD TAPER**
Chronicle Staff Writer

ASILOMAR (Monterey county), Aug. 23—Plans for a Bay Area educational television station controlled mainly by public school officials were given a mixed reception by last night's session of the Mental Health Conference here.

Vaughn Seidel, superintendent of Alameda county schools, told the conference that the Bay Area Television Educational Association (BAETA), of which he is president, has applied to the Federal Communications Commission for a license asking for channel nine.

"I am not one of those whose only response to television is to damn the whole medium, I think it can be a wonderful educational opportunity. It is up to us to make use of this opportunity for transmitting both wholesome and informative material," he said.

ROUND-TABLE DISCUSSION

Seidel spoke during a round-table discussion primarily concerned with mass media of communication and their effect on the individual in the present day world.

This has been the central theme of this conference in which more than 300 people have participated for the past three days. The conference was co-sponsored by the Mental Health Society of Northern California and the Berkeley FM non-profit radio station KPFA.

Though there was general agreement among panel speakers as to the need for non-commercial television channels, not all of the speakers expressed themselves as satisfied.

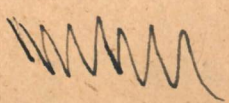
Two of the speakers, Dr. Nathan Adler, San Francisco psychologist, and Lewis Hill, executive director of KPFA, said they feared the board of directors was too dominated by "public school mentality," and that the station's program would, as a consequence, tend to be too timid.

CONTROVERSY STAND

Dr. Adler said, "What is most needed in our society today is the encouragement of non-conformists." He said he doubted that a television station dominated by public school officials would do anything but play safe on discussion of controversial issues.

Hill said bluntly that this experience with educational radio stations run by schools and universities showed just one fault with them: "The only thing wrong with them is that their programs are no good."

Other panel members were: Dr. William Pemberton, San Francisco family guidance counsellor; George Sheviakov, psychology lecturer at San Francisco State College; and J. Ben Lieberman of The Chronicle. The moderator was Dr. John Alden, San Francisco psychologist.





Clifford Elementary is a local example of a national problem

birth rate in the depression, until a low mark of a little more than 23 million pupils was reached in 1944-1945.

McGrath predicts the present rise in school attendance will continue at least for another ten years. A slight decline will come after the school year 1957-1958, he believes, but after that the boom will continue.

The school building problem is now being studied by the Office of Education and the State boards of education under a \$3,000,000 appropriation from Congress.

McGrath said the study so far indicates that there is a need

for \$10,000,000,000 worth of new school construction. But the school districts estimate that they couldn't get more than about \$5,000,000,000 for the purpose. To get that much they would have to levy taxes and issue bonds up to the maximum legal limits or up to reasonable limits where no legal limit is now set.

McGrath feels that the States should supplement local funds for school construction as far as possible. But he believes that eventually it will be found necessary for the Federal Government also to assist the communities to build the schools that are needed.

(From the Associated Press)

Political speeches are where one gets
Day by day new epithets.

—cdb

"This committee consists of
a certain no. of uncertain
people"

"If he's so rich, how come
he's not smart?"

Vigorous, but not rigorous.

A valiseful of fallacies

Sham

mock

front

SMUG

specious,

facade, pretense, fake, fan fan made, bluff, conceit, fraud, superficial,

Ec fiction

A college economist planned ...

That must have been written before Keynes, for he made a very good living from his books, ~~which~~ from reading them you would never suspect such a thing as land existed, or had any relation to unemployment, depression, boom & bust.

Complete escape from reality. Ec-sts may be forced to walk on land & eat food grown on land, but in the ~~refix~~ rarefied atmosphere of their ivory towers they manage to put aside all ~~xxxx~~ such earthy facts. Let them get warmed up, lost in the fog of their words, & they achieve nirvana, that state where the being is just a disembodied spirit, requiring no nurture or any material sustenance.

Like Gulliver's Laputians.

The other day I overheard a couple of them talking -- I wasn't eavesdropping, incidentally, I was talking to one of them first, then the

other came along. One of Prof's charming habits is to drop conversations with students at any point to convenience on of their distinguished colleagues. Anyway, so one said: "Willie, these dratted newspapermen are after us again for our recommendations on tax policy.

~~Ext~~ To protect themselves further from a prying public, they have developed a secret code of communication, really their own special language. This is convenient: not only does it cast an aura of remote grandeur over their proceedings, but it gives them an excuse to keep students in college, to teach them to code.

It really is a new language. They call it "Econômese". You should learn to recognize it, even if not try to understand it. If you go in the woods & listen, can tell birds by calls. When you~~x~~ hear men call, can tell what kind of birds they are, too.

So if someone meets you & immediately asks "Who're you with",
you look that call up in your guidebook. --- "Who're you with,
who're you with?"

& in your bird-watcher's guide you find this is the
call of the "Corporate non-entity", or the Hawk-nosed Busybody,
(Platitudinous Vulgaris)
who works for a large corporation & assumes everyone else does
too.

If "Ooh-la,la, quelle belle mademoiselle", Frenchman

Rather, by Jove

But if you hear "

Homo economicus academicus, of the Jargoniferous or
bull-shooting variety.

Major General .. eloquent diction
Innocent fiction

Why people
laugh at
S.T.

People who laugh at ST do so because they are uncomfortable. They know a ST can tie them in knots, if one they let the issue ascend to the level of reason & concern for public ~~welfare~~ interest. So they laugh. It is not ~~the~~ a tinkling sound of ^{nor the hearty} guffaw of an honest man who is amused, ^{nor the appreciative} It is a nervous defensive sneer of a guilty, ~~defensive~~ hypocrite, fearful of being exposed, & his true motives, his cowardice, selfishness & sloth ~~is~~ exposed. It is not a pretty sound. It is frightful to contemplate

Strategy
used
vs
S. T.

Jorgenson, 2

p. 117 last P

Thus ee.
thy. declines
& civilization
with it.

But the real extent to which Prof. Ely has prostituted his position & betrayed the public faith reposed in him is to be seen, not so much in his refusal to give the single tax theory of H.G. any kind of a hearing, nor in his direct misrep. of that thy, ~~but~~ as it is to be seen in the subtle & underhanded methods he has everywhere employed to discredit that thy & to turn the people vs. it. ~~But he has not~~ Throughout practically every chap. --- he has assailed the logic upon which the S.T. thy is founded --- assailed it from every angle & in every ~~way~~ possible shape (form & manner.) But his methods of assault have not been like the methods of a warrior in the open; they have been more like the methods of a savage in ambush, or an assassin in the dark. His attacks have been made, never from in front but always from the side or the rear. And the weapons he has used have not been the bolts of cold logic, but the poisonous shafts of unwarranted assumptions, of wrong inferences, of false suggestions, of insinuation, of half-truths & of outright misrepresentation. (Ridicule)

Much good stuff.

Most profs just motivated by fear, timidity, do not actively oppose lvt, just sneer politely. Ely different, definitely on conscious smear campaign.

So there is a great deal of truth in the Nurkse statements. The main point he is trying to put accross is good. The Keynesian concepts are bad, and detract from the argument. The mechanistic ideas are wrong. The assumptions are unreal. And the argument could be subsumed in the classic -- it was not really necessary to throw out classic words etc just to put accross one new point, an amendment. Probably the reason this was done was to aggrandize the people who did it, they being more intere ted in themselves than in the science.

For if one just presents new ideas in old words, he is not apt to get much credit. But if he invents a new vocabulary and can sell enough people on it as a new system of thought, etc, he gets a great repuation, and for centuries afterwards the controversey will rage as to just what his contributions really were. Only a few will appreciate what a fraud he really was.

I must decide, sooner or later, which approach I will use. I should like to have such valuable ideas that they will stand on their own merits. Where I really have something not adequately defined by existing words, I will invent new ones -- like "veto situations". But certainly at first I must speak to people in their own language. Even the supreme fraud Keynes did that until very firmly entrenched.

PERIODICAL NOTES. The Scientific Monthly, a publication of the AAAS, frequently has articles of wide interest. The April 1954 issue has several such items worthy of mention.

✓ "Laziness and the Scholarly Life" by Leonard Carmichael may be considered as rather controversial by some, but the ideas of this physiological psychologist on the qualities of personality and character influencing success or failure in intellectual life are notable.

Hickman, C. Addison, "Our Farm Program and Foreign Trade", NY: Council on Foreign Relations, 1949

pp. 35-37: "By common sense definition", much Am ag very ~~inefficient~~ "efficient". But "Yet Am ag can nevertheless be labelled as economically inefficient when its output per person employed is compared with the per capita output of mfr industries."

"Human inertia, local or family ties, and lack of knowledge of alternative employments" keep labor on farms.

Generally, a superior piece of work. Firm grasp of economic principles and ideals, brought in to evaluate farm & trade policy in current political setting -- which limits how far he can go toward liberal conclusions, and basic ones.

Emphasizes solving "farm problem" by opening industrial opportunities. Likes income payment plan, because it preserves free market flexibility. Conditionally likes international wheat agreement because it represents consumers too, is more flexible than tariffs, quotas, subsidies, unilateral; and is lesser evil. He definitely compromises with follies of the times, but keeps more fundamental economic principles in mind than many are disposed to.

He would emphasize farm incomes, rather than prices, as thing to be supported (he doesn't explicitly distinguish one "farmer" from another, but the seed is there). Wants much U.S. foreign investment in underdeveloped countries. Gently suggests that U.S. national economy be maintained at high levels, so "price and income floors become standby devices rather than the core of farm policy".

Not bad, in general. But, like HSEllis, puts his main recommendations in areas outside what he is talking about. -- thus safely avoiding getting too specific about anything.

He & Ellis recommend same thing: end restrictive practises of industry. There is sovereign remedy for many ills. But who tells us how to do it? All are so vague. Except me & John Krutilla.

Article or book. "Scribes & Pharisees": describe weaknesses of profs.

Fear ea. other. No indep. judgment. Thus approval or disapp. move in circles. Grad. student who learns ropes gets one prof. commit self a little, then another, play them back & forth.

Ossified ideas

Bluff

Ego

Lazy. Don't like to sit back & start from beginning of issues.

In human

Stilted language

Solution? Be aware of phony devices, laugh down, etc. Gradual growth of understand'g of, contempt for Pharisaical activities.

On positive side, show opps for genuine self development, confidence in ability to achieve substantive creation; & satisfaction w. creation as end in itself, rather than social approval, accepting latter as gratifying by-product. ~~How~~ How explain ~~the~~ Pharisees? Desire for social approval

so strong that will short circuit genuine creative process to win it by spurious means, phoney means. Conviction that public too dumb to know diff. Solution: ~~the~~ develop attitude that satisfaction comes from impressing that handful who appreciate true contributions.

Approval of others brings no real pleasure.

But those who control material rewards: women, employers - must learn to reward genuine

achievement. Never underst. influence of women in all this.

So let women's colleges esp. seek to unmask Pharisees, & women, by their selection of mates, powerfully influence behavior of men.

~~XXX~~ Women's forte not understanding intellectual issues involved, but human traits, personality traits, are sensitive to these.

Many difficulties, but maybe something can be done.

December 9, 1958

Mr. John Kenneth Galbraith
Dept. of Economics, Harvard University
Cambridge, Mass.

Dear Mr. Galbraith:

I have just finished reading your book, THE AFFLUENT SOCIETY. I found it very interesting and thought-provoking. I agree with much of what you have said, and disagree with some, which, I suppose, is to be expected. There is no hurry about your reading this; I rather hope that you will take it home and share it with your wife who helped you in the work of writing.

My reason for writing, and for my interest in the subject matter of your book springs from a lifelong interest in human problems, the fear that the best of human culture is declining, and the desire to do anything I can to help save it. I agree with Lord Dunsaney, who, in an argument with modern poets, said that the world needs, bitterly and tragically, clear statements of the important truths and principles of life, which good poets should be able to make (but which I judge he thought "modern poets" did not!). Humanity has often failed to see where its best interests and greatest values lie. In past ages it has struggled with the problems of bare physical existence. Now, as you point out, in one nation at least, (perhaps in only one), the former struggle with niggardly Nature has been won, only to be followed by a seeming disproportionate production of industrial commodities, by a part of the labor force, leaving another part unemployed, and attendant problems of the distribution of wealth, both between individuals, and between private citizens taken individually and society taken collectively. (Cars vs. roads; rich food vs. schools, etc. You have numerous good illustrations of this.) Some of this was a new idea to me, and I am glad to have it pointed out to me. As you say, we continue to be hipped on producing more and more goods when, relatively speaking, we have enough, in the aggregate. I do not say that I agree with you entirely on the incidence of this idea on the problem, but have noted what you say.

No doubt you will be writing more books in the future. I will give you a few of my thoughts on this one, in the hope you may find them of interest and possible use. I wish my thoughts for this could be better thought out, but I am a busy man, with many interests claiming my time. Please pardon my failings as a fast writer. Please be assured that whatever shortcomings I think you have, in thinking on economic problems, or in expressing them to the reader, I bring up with a sincere purpose and friendly spirit. I have been assured you will take it so, by my cousin, Philip Chase of Putney, Vermont, and by Prof. Robert Brown at Fordham. I do not like to find fault with other peoples' work just for the fun of doing so. I will simply say that as one earnest reader of yours, I found the style mildly obscure, more involved than necessary, and difficult from a reader's standpoint. I would like to help those who will be trying to read your next book, searching for helpful, meaningful ideas by which to understand life and its difficulties. Special effort is needed in writing on economics; it is a dull subject, traditionally; there is a lot of competition for it in lighter reading; its general import is disheartening, in that it has to do with everlasting work, and problems, problems, problems; and finally the man worth reaching will already have many other things on his mind.

In this book I found a troublesome amount of parenthetical material in many sentences and paragraphs. Many had to be read over, leaving out the extra matter, in order to get the main idea of the sentence, then putting back the extra to see if it would fit or what it meant. If, feeling that I understood it, then I would try to agree with it. Failing perhaps in that, but feeling that surely an intelligent writer would, in the main, hold ideas agreeable to an intelligent reader, I would start all over again. I did this often with whole paragraphs. Frequently I would finally give up and pass on to the next. The overall effect of the difficulty of this study was to keep me so involved with details, and cost me so much time, that I missed the chance to see it as a whole. I may even now have missed some of your main points.

A lot of the reader's time, nervous energy, and courage to stick with it could be saved if many statements were made in the simple direct manner, rather than with a multiplying of two negatives to get a positive statement. Page 2, last paragraph, first sentence. It may seem meaningful to you to involve it as you have, but not to me as a reader. I think that whole paragraph could have been cut down 50% and be just as good.

Your use of foreign phrases and of English words not commonly used outside of academic circles annoyed me no end, caused me to first cuss and then laugh. I had to keep two dictionaries open, one, the Winston Simplified with its section on foreign phrases, and Webster's Collegiate for 1956 for its very superior definitions. Just why some writers use Latin and Greek phrases and rare literary allusions when common words would do better, I cannot see. I have one neighbor here who, when he will have shown you how something works, will say, "And that is the modus operandi." You may be happy to know that his father-in-law has been reading your book, and pronounced it "Great!" (He is a retired Latin teacher from Milton Academy.) I recall a 12-year-old boy saying to his dad, at the table, "Can I have a glass of aqua?", then saying to me, "I like to show my intellectual superiority". I know many professors feel that they must write a book now and then to keep up their standing among their associates. It is hard to think that either case fits you, yet Prof. Brown says the forces of habit and academic pressures are very great today. Of course the fact that in prep school I flunked first year Latin twice might suggest that my hardships should not be taken seriously, but I feel that I have made a sufficient study of the "language arts" since then to make up. Right or wrong, I say you could have carried across your exact meaning in every case with common words. I looked up the following words, all used by you:

in camera	sine qua non	exegesis	cachet
denigration	ubiquitous (I knew it)	asseveration	ethos
work qua work	minimal	exiguous	icon
pro tanto	ineluctible	tautological	nexus
Draconian	Diaspora		

None of these were indispensable; all were a nuisance in point of time and understanding. Your use of "synthesize" annoyed me until I came to find humor in its occurrence, coming along, regularly, or irregularly, sort of, you know, like something along the highway our children would look for and competitively proclaim, just to pass the time on long trips. You seemed to have some private use of this word all your own. Only by great effort could I often come to some satisfactory assumption as to what you meant in each separate case.

Had I been writing this particular sort of book, I would have avoided such words as liberal, conservative, and conventional, except in their strict dictionary meanings. They are controversial words, and successive generations put their own passing meaning to them in careless talk.

You have made quite a number of statements in irony, not nearly so damagingly as did Marx; yet having to jump from mood to mood is often taxing to the reader, no

matter how much fun for the writer. Of course in Marx's case, his whole conception of life was so much in reverse that any backhanded utterances of his own could hardly add or detract from the general mixup of his own mind or eventually of those of his readers. I just don't like irony in the case of clear, concise, purposeful writing. Page 97, 3rd line, you speak of "...conventional wisdom of the American left." Can that use of words be consistent with the main theme of the book?

I have been unable to visualize your philosophy as a whole, unless to conclude tentatively that it is not yet "synthesized", and hence is one of expediency, a fact that would make it possible for you to advocate measures that would violate natural law. Perhaps the fact that man has learned to fly and has changed the courses of rivers carries over into the thought that he can change basic laws of economic behavior with impunity. I know a teacher in an Episcopal divinity school who has studied economics some in books, said to me "Man is no longer governed by natural law. He makes his own laws." I find this is a very common thought.

Your advocacy of greatly expanded unemployment compensation is, to me, so far beyond belief that I reread parts of that section to see if I had mistaken your remarks for irony. No. I seem to have read it right the first time. I honestly hated to find it so. Now, I can understand the man in the street espousing such a measure, - his need, his ignorance, his envy, all might combine to that end. But for a professor of economics in a great university to pose as a patchwork artist! Well, there is simply something terribly wrong there. It might, outwardly, seem like "Hissism", if I may coin a word; but somehow it is not that, in spirit or in deed, I know.

There is a bitter problem of unemployment. Very true. But it must be regarded as a symptom of deeper maladjustments, a part of a larger, more inclusive situation. Its alleviation would leave causes untouched, and new problems.

One wonders what your background may have been. Page 300, 11th line down, and on, a few. If wages for usual work were \$80.00, and your suggested compensation to one without work were \$71.20, then the advantage of working would be measured by the sum of 8.80 nominally. You forget that the average man is an economist, too. He would at once compare this figure to the total costs of getting to and from work, his shoe leather, his nervous system, his overall feelings. He would figure it that it didn't pay to work, and that he, a poor man, could not afford to work under this deal. In every case I have seen, of the sort of people who are now on, now off, now on, relief, always consider that when they work they are earning only the difference. We have to consider the long-time effect of any suggested measures. You have mentioned, very touchingly, "the normal, if surprising preference of people for work, ..." Even you are surprised by it! When your system, CGC, got under way, became an accepted part of economic life, all of its angles carefully figured out by potential beneficiaries, reinforced by the American standard belief that it is smart to live as easily as possible and peasantlike to do otherwise, just how long would that supposed and precious "preference to work" last? The establishment of one of America's commonest forms of saying goodbye, - "Take it easy", - was no accident. Your concession to reality, saying that this preference "....ought, no doubt, to be reinforced by a pecuniary incentive...." is rivaled only by the Police Chief's utterance after breaking into the apartment, finding the window open, the furniture broken, and a woman with a dagger in her back flat on her face on the floor in a pool of blood, dead, - "Foul play." You have called it a concession to Puritan principles.

Under your system, CGC, how long before self-respect gave way to conformity? Look at it from the standpoint of justice and the Law of Conservation of Energy. All would be consuming, some producing. Where some are getting where they do not give, there will inevitably be others giving where they do not get. They will know

they are working partly for nothing. Of course people know that to some extent already, when they think of how their tax money is thrown down the rat hole that most Federal expenditures now are, many of which are no doubt condoned or tolerated for the reason that it can be rationalized to show they do just what you have proposed be done overtly,- subsidize some at the expense of others. That is one of the reasons why any mention of government economy is a sickening joke. Isn't this the real element of inflation? What about the vastly multiplying functions of government, the opportunities for graft, the growing costs? Some people are never phased by the vastness of their proposals. But as scientists we must consider all costs and effects.

You have advocated an expanded use of the sales tax for the support of "social balance". You hope thus to raise money and reduce consumption. Isn't this just like those efforts to accomplish two mutually exclusive purposes, like the tariff for raising money and keeping out imports. The more you succeed in one objective the more you fail in the other,- the sort of measure that is a violation of principle. Even if your scheme worked, what assurance would you have the money was spent for what you want done,- the building of public facilities. With CGC at work, and economy meaning nothing, what percent of the money would result in facilities? There is always the claim by administrations that money they collect and spend gives employment, aids the ills of the economy, more than if the taxpayers kept their money and spent it themselves. That is good Machiavellian principle, but it is not economic principle.

Page 306, very top,- you say "It will also have the probable effect of increasing the rate of economic growth. I got the distinct impression that you thought this growth was already overgrown. If you have said anything to render irrelevant my comment, it must have gotten lost somewhere.

You have said that productive means have become so effective that all goods needed by society can be produced by one part of the working force, leaving the other part out of the act. I had thought that the idea that such progress caused men to be thrown out of work had long since been discarded. Well, anyhow, you are concerned for those who are unemployed. Why does it not occur to you that natural opportunity should be more equitably distributed? You are silent on that. Instead, you say that relief is the answer, and that this is a government function. You don't suggest how or when if ever that might come to an end. So one must assume you regard the disease and the medicine as fixed and permanent institutions. I wonder why men in your position never stop to think of what natural rights a man has, by which, had they been assured to him by government as its first duty, he could stand on his own feet.

In trying earnestly to understand your philosophy, I can gain only some vague sense of its origin,-an unrealized isolation from everyday life, a detachment from the immediate impingement of facts. Too many people of all professions live in cities all the time, sit in offices. City life allows for selection of ones associates and acquaintances more than does country life with its variations. Too many work for the government, where anything goes, and there is plenty of money to make up the difference. You have tumbled to the doctrine, "The world owes me a living." You didn't intend to do this; you were enjoying the pleasant detachment of an Alpine "tower", free to think, I suppose. You put your mind on a plan to beat Nature. You wanted to alleviate the suffering of the unemployed. You looked so closely at their exact situation,--- each man, sitting wondering, at his shabby kitchen table with tired wife and too many kids, reporting to her that one more factory has said they cannot use him. You looked so closely at the statistics of this family situation vastly multiplied, thousands of miles back there in America, that you could not see their country as a whole. But it was your duty to have done just that.

I have long realized a significant truth which is (if I may quote myself from a small booklet I am working on as time permits) this:

Peoples' thoughts about economic questions are influenced, more than in any other way, by the belief that there is not enough employment for all.

From people in high places and from people in low places you will see it. You have been so influenced. So was a fellow citizen of yours, symbolically located in the Cambridge subway. A few years ago, waiting down there for a train into Boston, I bought a 5-cent Hershey bar, drew off the wrapper and glanced about for a trash can. The old lady at the counter said, "Aw, throw it on the floor." I said, "O, I hate to do that." "That's all right, Mister," she said, "Makes a job for somebody." Tens of billions of dollars are spent each year by this country, largely for that purpose, on military preparation, as are countless more billions for space travel, to the moon, perhaps the Sun perhaps Jupiter, the farthest that economic (?) man has ever gotten his feet off the ground. I don't say we need no defense. But there is this angle to it. How significant it is no one can tell, but it is very much so.

As a professor of economics, you should consider further implications of your advocacies.

Income and sales taxes (which you have condoned or suggested) divorce us from all thought of payments to society for benefits received. Unemployment compensation as you have conceived it divorces us from all thought of payments for services rendered. In each case, the normal economic and moral relationships in the rendering of public and private services is set aside by such proposals and conceptions. I believe that continued following of this sort of reversed logic, this viewing of life while standing on our heads, will lead to a complete abandonment of all logic, truth, and integrity, and finally all righteousness and Christianity. Can it not be that in this sort of abandonment, and in the making of truth the handmaiden of expediency, we shall approach the Soviet concept, that we are forced to think they must have, of truth and integrity?

As an economist you have shown an admirable desire to make a contribution to good of man. You would like to see his basic needs for food clothing and shelter well satisfied, I judge, and even his second-grade needs, like comfort and at least technical education by which self-perpetuated poverty might be stopped. How about the highest qualities of the man himself? Integrity; a sense of obligation to society and his immediate employer or neighbor; his sense of actual importance to others, of being needed and being able to serve; his sense of choice; the opportunity to get away from the too-great concentration of "it all", should he wish to; the opportunity to be his own boss and employer, should he wish to.

Economics is a science with its laws based in Nature. It is not a field of improvisation for smart men to alter relationships as they see fit. You must be loyal to it, you must teach your students the truth of these laws, not show them how to be what Scott Nearing calls "social engineers".

We once had a young minister here. He joined the fire company. He took part in one argument and swore a blue streak. I stopped him by saying, "Just a minute Bob. Even if others swear, remember, you are the minister in this town. You have a special duty and guidance." Later he thanked me for recalling him to his senses, and to his position and duties. And I would say to you, "You have a position, as a scientist, to teach the laws regarding your branch of its study. Do not be lead down the road of expediency, excusedly travelled only by the ignorant and unprofessional."

It would be pleasant to hear from you should you care to write.

With all best wishes to you and to Mrs. Galbraith, I remain

Sincerely yours,

Heman Chase

The tree of knowledge -
deadwood at center.

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Trouble w. ec-sts:

Fnd writers, use abstract
terms "activity"
high level
period of weakness, strength
gains
sectors
vigorous
upward impetus
variety of forces
expand to a new high level
expectations hi, favorable
The economy, the good ec-sitn.

German "Single-Track Economics"

DURING the international conference in Hanover, Germany in 1959, Erich Zincke, translator of *Progress and Poverty* into German, said he heard about the services of the professional economists in American banks and businesses, whose interests were concerned with current production only. As a result it was the businessman who must look into the future and try to foresee the coming development.

Speaking at the closing banquet of the Henry George School conference in Detroit, Mr. Zincke said in Germany such economists are called "economics technicians," and he told of conversations with one of these who had just left the university. Questions as to whether land is a factor of production as distinguished from capital or wealth, seemed irrelevant to him. "In practice," the young man said, "land may be bought and sold and must therefore be regarded as a commodity or as capital or wealth—at least, as a value expressed in figures. Wages, too, must be expressed in figures. Thus the whole economic life is expressed in figures, curves, equations, etc. of different kinds. All the economic problems that occur in practice thus may be solved in a mathematical manner.

"Our task," he continued, "is not to improve the world, but to show how trade and commerce may be best-managed in our world as it is. All the questions Henry George touches are political or social problems in which we, from a professional point of view, are not interested. Most of us hate political questions and are not at all inclined to spend any brain power on

fruitless problems that touch only the fringe of our profession. Whether the political conditions—i.e., the present laws concerning the economy—are this way or that, our task is to carry through the most efficient management of said economy. That is why we call ourselves 'economics technicians.'"

The German coal industry is an example of how little one can rely on the advice of such technicians, where planning for the future is concerned.

After the reformation of the currency in Germany in 1948, the coal industry could boast of having the whole of the German energy potential in its hands. It was announced that the production would not suffice for all, furthermore coal had to be exported at a low price to certain countries and had to be replaced by large imports at a high price. The shortage continued and people were incredulous, because, after the inflation, everything else had become available again. Gradually private families followed the lead of smaller industries, and turned to gas or oil, though the change involved a considerable investment. New buildings with central heating were provided with oil heat, and as oil heat has many advantages over coal or coke, its use increased.

When, after the last election, the coal board raised the coal prices, the coal mounds began to grow. Nevertheless the process of substituting oil for coal did not stop. Perhaps this was inevitable, but the transition would have been a very slow one had it not been for the propaganda issued by the advisers of the coal board, whose advertising favored their own competitors. They have now made a belated

change in their propaganda, recommending coal as the only reasonable source of heat in Germany.

It may be that situations of this kind have been responsible for the increased number of articles appearing from time to time against "the one-track economists." If such criticisms continue the universities will be represented as "sinking down to the rank of special schools for the education of specialists." And this is a reproach no university would like to hear. Thus it seems certain, Mr. Zincke believed, that the study courses of economics will undergo a fundamental reform in the future. This means that classical authors, among them Henry George, will be read and appreciated again.

This change of opinion may also be seen in the treatment of the term "land," he predicted. In the long negotiations about the federal building law the German lawgivers consistently stuck to the idea that land cannot, like other commercial goods, be subjected to the rules of supply and demand—that on the contrary land ownership implies a duty towards society. It seems, he said, that the legislators and the West German government are succeeding in putting this concept across. The new federal building law contains, beside a lot of other measures, a graduated building-land tax, which, though it is not the general land value tax we aim at, lies in the direction we are trying to go.



CANADIAN COMMITTEE SUGGESTS TESTING LAND VALUE TAXATION IN THE PROVINCES

A committee of inquiry was appointed by the Royal Architectural Institute of Canada at its annual meeting in 1959. It was financed largely by the Central Mortgage and Housing Corporation, Canada's National Housing Authority. Since the war this corporation has financed and directed the erection of some 1,250,000 dwellings of various kinds. They are now seeking, through the establishment of this committee, to obtain valuable new information.

The committee has held open sessions in the larger cities across Canada and has investigated a wide range of subjects. Its members have also seen the report of the International Research Committee on Real Estate Taxation entitled "A Graphic Summary of Municipal Improvement and Finance: As Affected by the Untaxing of Improvement and the Taxation of Land Values," by H. Bronson Cowan.

While this committee claims it has no way of testing the claims made in the above Graphic Summary regarding the taxation of urban real property according to the valuation on the site only, without regard to the value of the structures and improvements, it is assumed possible that this may encourage building improvements and discourage both the retention of run-down buildings on valuable sites and the speculative holding of vacant sites, and that it may generally reduce the tax burden on residential areas by increasing it on central area uses.

The Committee of Inquiry reports that it is certain the Provinces can, at no great expense, ascertain for Canadian conditions the benefits or disadvantages of a general change from taxes levied on land and improvements to a system of real property tax on site values only. "The difference in these assessment methods clearly has great import for the quality of the huge residential areas we shall have to create and maintain in the years before us," concludes the report.