

RICHES AND POVERTY

APHORISMS AND MAXIMS APROPOS OF THE NEW ECONOMIC ORDER

BY Dr. WILHELM DEARNEBORG

Beatification of humiliating poverty is no postulate for a fitting economic order of things, but at the most a form of moral damages for the simple and pious folk who live in hopes of a better world to come.

INHIBITIVE RICHES

Individual riches diminish and procrastinate the turnover.

Only a prosperous people can afford to harbour the rich.

Rich people are insupportable when national economics are in an impoverished state. They make poverty more oppressive and help to increase it.

TURNOVER IS THE LIFE OF COMMERCE!

Extreme riches can be just as paralysing as extreme poverty.

It is the circulation of capital, not its mass that is the pulse and the life-blood of economic life. Thus an impoverished people need not give way to despair. If it succeed in ordering its commerce according to its means and in accelerating the circulation of money, it may exercise more commercial influence than a rich people.

The height of the working capital and of the individual profit is less important for the progress and prosperity of private commercial undertakings and for national economy as a whole than the frequency of the turnover and the continuancy of the profits.

The more often a commercial undertaking can circulate its working capital in the course of a year, always at a certain profit, however modest, the greater will be the balance of profit at the end of the year and the more secure the basis of prosperity.

The large incomes of the rich rob many poor people of labour and the means of life, for they are naturally spent on luxuries rather than only on the necessities of life.

For the price that a rich woman pays for a single dress, twenty women could each buy themselves a dress, twenty dressmakers would be employed, would earn money and use it to supply their needs. How anti-economic, how anti-social is the state of things, when we consider that everything belonging to a rich woman is expensive, not only her dresses, and that in reality it is a question of a much wider economic difference than that between a rich lady's luxuries and the needs of twenty women.

A better equalization of the difference between over-large and too-small incomes would increase the purchasing power of many poor people and thus would not only fulfil many needs but would afford many more workmen with employment and their daily bread, in consequence of the growth and acceleration of the turnover, and would thus be the cause of a gradual increase of general prosperity.