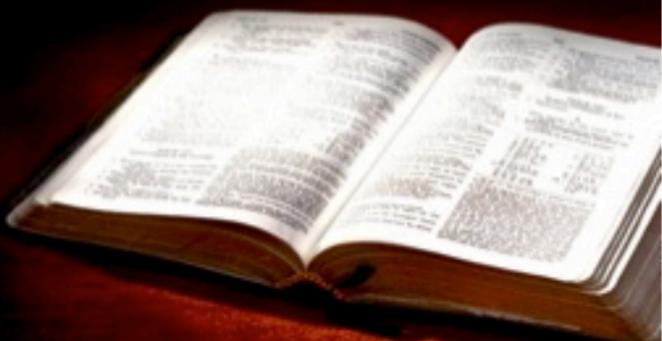




GOD 'N' COUNTRY
CLASS



“GOD ‘N’ COUNTRY”

CLASS

LEARNING

ABOUT

AMERICA’S GODLY HERITAGE,

GOOD ECONOMICS

&

THE PROPER ROLE OF GOVERNMENT

Snacks, friends and saving our country!

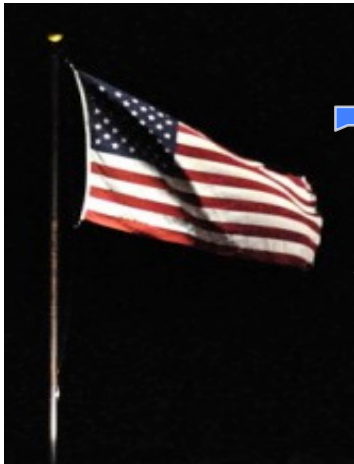




Let me tell you a story...

THE STORY OF "I, PENCIL"



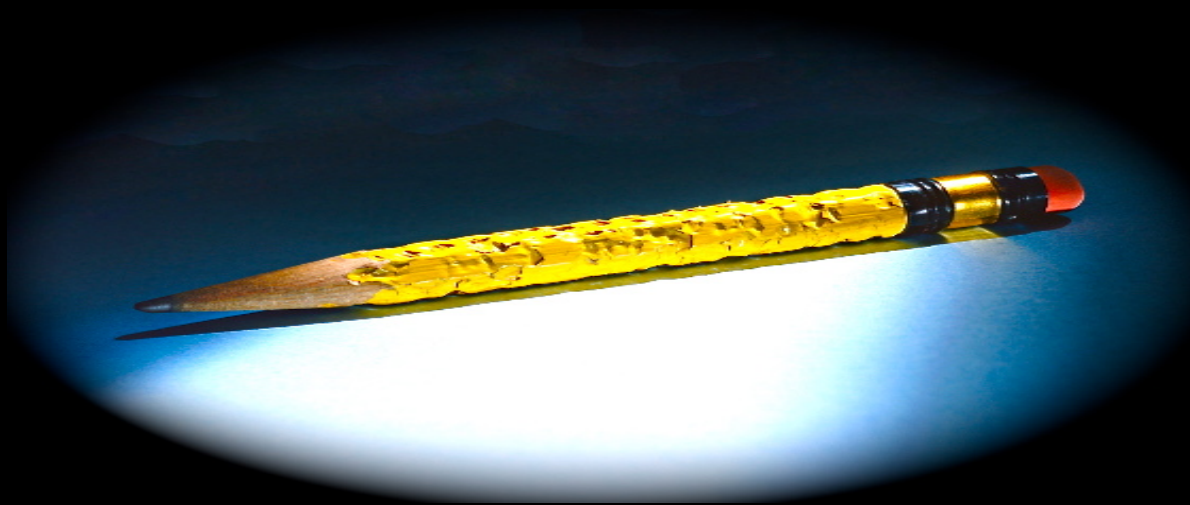


THE STORY OF "I, PENCIL"

BY LEONARD READ

FOUNDATION FOR ECONOMIC EDUCATION

1958



[THE ABRIDGED, 3RD PERSON VERSION]



Pick it up and look it over. What do you see?
Not much meets the eye—there's some wood,
lacquer, the printed labeling, graphite lead, a bit
of metal, and an eraser.

While the pencil is such a simple thing, I claim
to you today that no one in this class can make
one. In fact, not one person in the whole world
can make one.

You're skeptical? Let me try to prove it to
you...





The pencil begins with a tree, a cedar of straight grain that grows in Northern California and Oregon. Now contemplate all the saws and trucks and rope and the countless other gear used in harvesting and carting the cedar logs to the railroad siding. Think of all the persons and the numberless skills that went into their fabrication: the mining of ore, the making of steel and its refinement into saws, axes, motors; the growing of hemp and bringing it through all the stages to heavy and strong rope; the logging camps with their beds and mess halls, the cookery and the raising of all the foods. Why, untold thousands of persons had a hand in every cup of coffee the loggers drink!





The logs are shipped to a mill in San Leandro, California. Can you imagine the individuals who make flat cars and rails and railroad engines and who construct and install the communication systems incidental thereto? These legions are all have a part in making a pencil.





Consider the millwork in San Leandro. The cedar logs are cut into small, pencil-length slats less than one-fourth of an inch in thickness. These are kiln dried and then tinted for the same reason women put rouge on their faces. “People prefer that I look pretty, not a pallid white”, says the Pencil. The slats are waxed and kiln dried again. How many skills went into the making of the tint and the kilns, into supplying the heat, the light and power, the belts, motors, and all the other things a mill requires? Sweepers in the mill had a part in making this pencil? Yes, and included are the men who poured the concrete for the dam of a Pacific Gas & Electric Company hydroplant, which supplies the mill's power!





Don't overlook the people present and distant who have a hand in transporting sixty carloads of slats across the nation.

Once in the pencil factory, there is \$4,000,000 in machinery and equipment.

The "lead" itself—it contains no lead at all—is complex. The graphite is mined in Ceylon.

The graphite is mixed with clay from Mississippi in which ammonium hydroxide is used in the refining process.





The cedar receives six coats of lacquer. Do you know all the ingredients of lacquer?

Observe the labeling. That's a film formed by applying heat to carbon black mixed with resins. How do you make resins and what is carbon black?

The pencil's bit of metal—the ferrule—is brass. Think of all the persons who mine zinc and copper and those who have the skills to make shiny sheet brass from these products of nature.





Then there's the eraser. An ingredient called "factice" is what does the erasing. It is a rubber-like product made by reacting rape-seed oil from the Dutch East Indies with sulfur chloride.





Does anyone wish to challenge my earlier assertion that no single person on the face of this earth knows how to make a pencil?

Actually, millions of human beings have had a hand in its creation, most of those people don't even know each other.





There isn't a single person in all these millions, including the president of the pencil company, who contributes more than a tiny, infinitesimal bit of know-how. Neither the miner nor the logger can be dispensed with...

Each one wants a pencil less than a child in the first grade. Indeed, there are some among this vast multitude who never saw a pencil nor would they know how to use one. They are not even making the pencils for themselves.





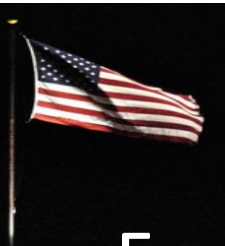
There is a fact still more astounding:
the absence of a mastermind, of
anyone dictating or forcibly directing
these countless actions, which bring it
into being. No trace of such a person
can be found. Instead, we find the
Invisible Hand at work.





If you can become aware of the
miraculousness, which the pencil
symbolizes, you can help save the freedom
mankind is so unhappily losing.





For, if you are aware that these know-hows will naturally, yes, automatically, arrange themselves into creative and productive patterns in response to human necessity and demand— in the absence of governmental or any other coercive masterminding—then one will possess an absolutely essential ingredient for freedom: a faith in free people.

Freedom is impossible without this faith.





ECONOMICS





WHAT IS THE “FREE MARKET”?

It's like when I was watching the kids the other day at Daniel and Tamara's House...

Lydia tried to take a toy from Elijah...

I decided to teach them about the free market!





RULES OF THE FREE MARKET

1) You can't take other people's things without their permission.

(Private Property Rights)

2) You have to offer someone something they want more than what they've got.

(The Market; Buying and Selling)

3) The Government Ensures This
Process by Protecting
Private Property Rights!






WHAT IS “THE FREE MARKET”?

An economic system where the only role of the government is to protect private property rights.





In order to understand economics,
you have to understand something
called “Productivity”.





WHAT IS “PRODUCTIVITY”?

The economy is like a pizza.





When you bake more pizza, you add
to the economy.

You eat some pizza, you make some
pizza.

We enjoy the economy, we add to
the economy.





WHAT IS “PRODUCTIVITY”?

“Productivity” is “adding something to the economy”.

It is “adding something to the world that was not there before.”

It can also be “improving on something that already exists”.

“Productivity” is “making the world a better place.”

This can be done in the market or
in *life in general*.





“PRODUCTIVITY” CREATES WEALTH

In a “market”, you offer a product to someone else to buy.

This can be a “good” or a “service.”

A “good” is something you can touch and see.

A “service” is when someone does something for someone else. You can’t really touch it or take it home with you.





WEALTH

When someone buys your product, you get money,
which is a form of wealth.

The person who bought the product from you
gained a different kind of wealth.

Both people have benefited from the transaction.

The economy grows.

This is “productivity”!



An American flag is shown in the top left corner, waving against a dark background.

WHAT IS “WEALTH”?

“Wealth” is owning anything of value or something that can be traded for something of value.





THE GOVERNMENT IS UNPRODUCTIVE

The government is not bad, it is simply unproductive in the economy.

In other words, it does not produce anything that adds to the economy.

What does that mean?





Some people eat the pizza but
don't bake any pizza.

These people are economically
unproductive.

The government eats pizza but
doesn't bake any pizza.

How?





TAXES!

“Taxes” is how we pay for the government.

“Taxes” is money taken from economically productive people and given to the government to do its work.

The government can do good things.

It can do useful things, but...

These are not *economically productive things*.





Why is the government not economically productive?

It first had to take the money from someone else in order to do its work!

It did not add to the pizza!

It took pizza and then did something else with the pizza.

No more pizza was added!





Taxes are essential to running a government.

Since taxes take wealth away from the economy, taxes should be very carefully administered!

A country should keep its taxes under control!





ECONOMICS

That's what "economics" is all about.

It is "free people, buying and selling goods and services to make each other's lives better."

The question is "How much 'taxes' should be taken away from them in order to run the government?"

This begs the questions "How big should the government be?"

"What should it do?"





As the government gets bigger,
it needs more money to pay for it.

It needs more taxes!

“More taxes” means “less money people have
to spend in their own lives!”

It also means everybody is less free!





SUMMARY OF ECONOMICS

PEOPLE ARE PRODUCTIVE,
GOVERNMENT PROTECTS PRIVATE PROPERTY
RIGHTS
AND
TAKES TAXES.





ECONOMICS

This is what we will talk about in our “God
‘n’ Country” Class!

How we can have the best economy
possible!

How we can have the best government
possible!

How we can be as free as possible!





GOD 'N' COUNTRY CLASS

