

several instances, taken at random, to see if public works are a cure for the depression:

1—The Treasury Department writes on March 24, 1933, that "the cost of the land for the new Parcel Post Building in New York City was \$2,000,000. The amount of the construction contract is \$5,233,231."

2—A New York City newspaper of April 17, 1933, states that "Nassau County orders \$1,000,000 bond issue. Most of this sum will buy highway rights of way (land)."

3—The Federal Government may spend two billion dollars to buy farm mortgages. A New York weekly says concerning the farm mortgage situation in Iowa: "Well, the lawyer bid somewheres around \$30,000 for 320 acres of land. Good land, you understand. Used to be worth \$300 an acre."

4—A New York City newspaper of Oct. 7, 1932, states that "Borough President Levy has a fund of \$8,720,000 to acquire twenty-four acres for childrens' playgrounds, where none now exist. Under usual conditions these would cost \$11,000,000 but because of the depression the property (slum land) might be purchased within the borough's present means."

5—A New York City newspaper of Feb. 17, 1933, states that "the New Rochelle, N. Y. postoffice would be located at the corner of * * *. The property (land) was offered for \$200,000."

6—A New York City newspaper of April 9, 1933, states that "Fred. F. French will start in six weeks to stamp out the 'lung block' on the lower East Side, one of the most sordid sections in New York. French plans to displace about 3,000 people from buildings none of which is under fifty years old." The New York State Housing Board estimates the land, consisting of five acres of slums, will cost \$3,000,000, and the new buildings will cost \$6,000,000.

Now, the question is whether five billion dollars of public works, similar to the above, can cure the depression. There seems to be no logical reason to say that they would do so. In fact, there seems to be no direct connection, either as cause or effect, between public works and the depression.

There is, however, one constant factor running all through these six cases, and that is the enormous prices that must be paid for land. The dirt farmer, for instance, cannot successfully "make" crops on \$300 an acre land, and so the government is asked to finance the mortgage. Thousands of children are denied much needed playgrounds because New York City cannot buy slum land at \$360,000 an acre. The French project to destroy some horrible slums in New York City, must pay \$600,000 an acre for land. If the government spends five billions for public works, it will pay \$1,500,000,000 for the land to do it on. And, furthermore, the surrounding land will increase in value billions of dollars. The one sure direct result therefore of a five billion dollar public works programme is that land owners will receive several billions of dollars. The conclusion from this short examination into facts is that President Roosevelt and his able and sincere advisers should immediately make a thorough and painstaking inquiry into high land values as one cause of the present depression.—T. A. MCHENRY.

THERE is no evidence that any considerable group of Nebraskans is even tolerant of the idea of a sales tax. A few city real estate dealers are for it. A few school teachers (one bill proposes to give its entire yield to the school fund) have indorsed it. A few professional promoters are pumping the bellows. But the people, the taxpayers, are silent. They want tax reduction, not tax additions.

Omaha *World-Herald*.

GANDHI can rid India of some political wrongs merely by fasting a few days. American workers fast for years without having the slightest effect on what is wrong here. But Gandhi thinks while he fasts.

An Ethical Basis for School Revenue

NEVER before has the problem of financing the public schools been so acute; never before has the public been so tax-conscious. Everywhere legislators are feverishly urged to look here and there to find one more source of revenue, and everywhere the ordinary citizen, already groaning under a staggering burden, stoutly declares his inability to give more. The question is not too much one of political economy to engage the attention of teachers as such. More and more at educational meetings the question of "How Shall the Public Schools be Financed?" has come up for discussion and much space has been given to it in professional literature of recent issue.

In all these platform addresses and published articles one striking fact is evident. With almost complete unanimity these eminent educators discuss the matter as though the whole question were one of who has the money. "According to ability to pay" seems to be the sole test. It seems never to have occurred to such speakers and writers that the matter of ethics has anything to do with it. Their argument begins and ends with "The State needs the money." They would have us obtain revenue for the nation, the state or municipality on the same principle as the burglar or highwayman gets his. That principle is: "I *need* what you *have*, therefore I *take*." Has society no higher justification for asking for the taxpayer's dollars? Has the state no loftier sanction for demanding tribute?

If any of us were to be asked individually, out of what fund we expect to pay for the food we eat, the clothes on our bodies and the roofs over our heads, there is but one proper answer: Out of our own *earnings*. A person who deliberately plans to do otherwise, save as a result of a free gift of the producer, is justly regarded by society as a crook and treated accordingly. We build jails for the fellows who order their lives on the basis of other folks' "ability to pay." By what reasoning is the state absolved from the same ethical test? Is not organized society, just as much as is the individual, amenable to the commandment, "thou shalt not steal" and bidden to eat its bread in the sweat of its *own* face? In other words, should not public revenue be derived from public earnings as distinguished from individual earnings?

The thought probably has never occurred to nine out of ten of those legislators, educational administrators and civic associations who are so bravely marching to the "relief of real estate," and who proclaim that "intangible wealth" (meaning of course stocks, bonds and mortgages) must bear the burden, as though the futility of that kind of taxation had not been so often and so thoroughly exposed. Such persons should be reminded of that which is recognized by every economist as a communal product, the value of land. The so-called "unearned increment" is just as certainly earned by the people as a whole who have brought it into being as are the wages of a day laborer his own earnings. Land values come into being with communities, and, exactly as these communities grow in size and complexity, the increasingly necessary revenue for their maintenance is automatically at hand.

What is the result of any public improvement? If we build a new street, open a new sewer, construct a public bridge over the river or across the railroad, extend transit facilities, improve the river banks, or erect new school buildings, do these not result in increased land values? Or, to mention improvements of an intangible though not less appreciable nature, what happens when civic alertness provides clean, graftless and efficient city government? The desire of everyone to live and to do business in such an exemplary place creates a greater demand for sites—not for buildings necessarily. The common remark that municipal improvements tend to raise the value of "real estate" is both true and false, since this term by custom but in opposition to logic is made to include both land and the improvements on it. Do buildings increase in value as a result of neighborhood betterments?

Should a house burn down, how much has its owner lost? Obviously, no matter where the house is located—in a highly desirable neighborhood or only a sparsely settled one, the loss is only the cost of rebuilding and this rebuilding is apt to cost even less in a highly developed locality—HENRY W. HETZEL in *The News Letter*, official publication of the Philadelphia Teachers Organization, for May, 1933.

Economics and Religion

SOON birds will be selecting sites for their homes in the trees. With time comes little mouths to feed and parent birds must work harder. Nature's storehouse is open to them and there they fill their needs only at the cost of labor. In the country bees are on the wing seeking flowers wherein is stored the raw materials from which they prepare their honey. All nature will soon be busy and when winter comes again the animals of nature's kingdom will have their homes and food, and the plants their season's growth.

What of man? He too, must prepare, and draw from Nature's vast and unfailling storehouse. Nature yields to man, black or white, Jew or Gentile, under the same conditions, and in like quantities if he is permitted to, and will but work. Nature, in fact, seems to have provided too well; wheat used as fuel and men hungry; cotton unpicked and men unclothed; shoes overproduced and men without them. Are birds concerned with too many worms, bees too many flowers, squirrels too many nuts?

At a certain point, as we "shoot the chutes" of what economists call the business cycle, we always hear the question: "Why poverty amidst Plenty?" Answers come from all sides; tariff, silver, God, capitalism, socialism, communism, dictatorship. All this with the low of the cycle. Eventually we turn the corner, and again we will watch the mad race of Progress and Poverty and wonder when the thousands of evil riding horsemen of the depression will again sweep down on humanity with horrors greater than those visited by wars.

Did we have to make men better, or change human nature to obtain the Dynamo, the X-Ray? Man had only to learn nature's principles that always existed. Had it been necessary to wait until men were made better, we would never have had them. Scientists seek knowledge of principles to work with them. Could the man of "faith" be so irreligious as to feel that the Creator had failed to provide the laws of Economics, the laws for the production and distribution of wealth, with which man may work?

Would not a doctor seek a cause for recurring boils? Should we not seek the cause of recurring "economic bellyaches?" Tariff, banks and bankers, wars, etc., are these first causes, or are they farther removed? It seems as futile to look for a cure of poverty and depressions by appointing these evils, as to uproot trees by pulling off leaves. Religion is deeply concerned about mankind's seemingly hopeless position. They make haste to point out that it is not God's desertion, but man's failure. Nature has been good.

A learned Rabbi of our city was quoted some time ago as saying that "Prohibition has made us of a Nation of hypocrites and liars." The personal property tax did that to us long before prohibition, and included men who never drank. Religious leaders deal with the thing they call human nature; they seek to influence men to be honest and less selfish. This brings to mind a question. Suppose the youthful David had missed the temple of Goliath and had only hit him on the nose? Is it not possible that the Church has failed to use an effective method? Are men dishonest, do they swear falsely because the personal property tax is wrong, or because man is dishonest? Perhaps this is a dishonest tax? Perhaps it is communistic? If an unjust tax is removed would not men find it easier to be honest? Will all the exhortations of the church change conditions resulting when an honest man, in his honest opinion, receives an income by man-made laws

honestly his, but which a proper study of God's economic laws by the ministers might reveal to be dishonest in moral law and equity because it was gained unfairly at the expense of others equally entitled to it? Desire to be honest cannot correct the evils arising from wrong principles believed to be right. Does this not indicate a duty on him whom the frailties of human nature lay as a burden? Would it be wrong to change human nature but changing conditions instead of hoping for it the "hard way" and in spite of conditions? Poverty breeds crime; great reforms are usually simple ones; may it not be that there is a simple economic reform that would largely banish involuntary poverty and its countless ills?—N. D. ALPER, in *The Modern View*, St. Louis, Mo.

Washington Women at Work

THE Woman's Single Tax Club of the District of Columbia held their closing meeting for the season on Monday evening, May 1, at the home of Dr. and Mrs. Morton G. Lloyd, No. 100 Taylor Street, Chevy Chase, Md.

As all business had been dispensed with at the previous meeting and no regular minutes kept, the members reported informally on the Landlord's Game party which had constituted the April session, in the ball room of the All States Hotel, 514 19th Street, N. W. It was attended by about two dozen persons, despite a downpour of rain, the guests including a group of students from the economic class at George Washington University, accompanied by their instructor, Professor Owens, and their interest in, and grasp of, the principles involved, afforded much satisfaction to Mrs. Phillips, the inventor and director of this ingenious game which gives a practical demonstration of the working out of our present taxation system, which permits a few to accumulate at the expense of the many, and of the Henry George principle, under which wealth tends toward a more equitable distribution among the players when the rules of the game are changed in conformity with the Single Tax.

An invitation was extended by Mrs. Jessie Lane Keeley to hold the annual gathering at her home in Riverdale, Md., on the last Sunday in May, a custom which was inaugurated in 1912 and has been followed every year since without a break.

A pleasant surprise to the club was afforded at this closing meeting of the year, by the unexpected presence of Mr. and Mrs. Jackson H. Ralston, formerly Maryland residents but now living in California. Following the business meeting, Mr. Ralston, after reporting on conditions in California, gave, at the request of several of the members, a brief review of the campaign which he had been instrumental in waging in Maryland.

The following officers were elected for the ensuing year: Mrs. Walter N. Campbell, president; Mrs. Marie H. Heath, vice-president; Mrs. Jennie Knight, recording secretary; Miss Frances S. Crosby, corresponding secretary; Mrs. Lucy R. Swanton, treasurer; Mrs. Tamer F. Rorke, director to the Federation of Woman's Clubs.

GERTRUDE E. MACKENZIE.