

Purchase of Henry George's Birthplace

PITTSBURGHERS have a particular interest in the news of the purchase by the Henry George Foundation of America of the birthplace of the philosopher and economist in Philadelphia. Not only are the headquarters of the foundation here, but the Pittsburgh graded tax law, a modified form of the Single Tax principle, represents what is described as the most notable approach in this country to the Georgian views of taxation. The ideal of the out-and-out single taxer, of course, is to concentrate all taxation upon land and give the public the benefit of unearned increment, freeing industry of what they call a penalty upon its very enterprise. Formerly land held vacant here was touched lightly by taxation even as it was being greatly enhanced in value by the building around it, the builders being forced to pay chief toll almost as if being fined for adding to the wealth of the community. Now the builders in Pittsburgh are encouraged; improvements are taxed just half the rate levied upon vacant land. Building has increased accordingly. Also no personal property taxes are levied here for city purposes. The sharp turn in this country against giving away public franchises for private enrichment also may be attributed largely to Henry George.

Here is illustrated again how ideas once thought radical and impractical come gradually into general acceptance. While the views of Mr. George may never be applied wholly or by the terms in which he expressed them, there can be no doubt that his book, "Progress and Poverty," was one of the most important productions of the past century from the standpoint of stimulating the study of economics. It put life and heart interest into a topic that generally had been regarded as dull. His work also had a greater effect upon politics of the country than may ever have been realized, renewing the demand for freedom and general opportunity. Mr. George twice made notable canvasses as an independent candidate for the mayoralty of New York. His death came under dramatic circumstances just a few days before the election following his second campaign.

Gratitude for such work in the cause of humanity should be expressed generally in tributes to the memory of Henry George. Accordingly the news of the purchase of his birthplace to be made a shrine of the cause he represented must give wide satisfaction. The Foundation that has made the purchase is entitled to the thanks as well as the congratulations of the public. Such Pittsburgh Single Taxers as George E. Evans, William E. Shoyer, Percy R. Williams, Ralph E. Smith and William N. McNair deserve particular attention in this connection. They have long been working for the cause and with never-flagging zeal.

—*Pittsburgh Post*, Jan. 4.

A Henry George Shrine To Be In Philadelphia

(From the Philadelphia *Evening Ledger*)

THE chartering in Harrisburg of the Henry George Foundation of America is to be followed by the purchase of the birthplace of George in this city and by an attempt to raise \$1,000,000 for the support of an institute to stimulate interest in the study of political economy and especially the promulgation of the principles of the Georgian school of economics.

The birthplace in this city is to become a permanent memorial and museum. The headquarters of the proposed institute are to be in Pittsburgh. Among the incorporators are Warren Worth Bailey, the erratic editor of *Johnstown*; George E. Evans and Percy R. Williams, of Pittsburgh. They confidently believe that they will have no trouble in raising \$1,000,000 among those who accept the doctrines set down in "Progress and Poverty."

That Henry George's economic theories have survived destructive criticism for forty years may be regarded, according to the point of view, as a compliment to their soundness or as a sad commentary on the ability of men to think on economic problems.

George regarded the Single Tax on land as a cure-all for the inequities of existing taxation systems. As every one was aware of the faults of the existing systems, a certain proportion of the people gladly welcomed the remedy proposed. The faults have not disappeared. The lawmakers are still in the habit of passing tax laws without due thought. For example, Congress during the war planned to make a levy on the profits of the theatres, and it put a tax of 10 per cent on the price of theatre tickets, thinking that each week the managers would compute the amount of their receipts and lay aside 10 per cent to pay the tax. But every one knows that they simply increased the price of admission by 10 per cent and made it clear that that increase was to pay the tax. So the theatre-goers paid the tax and the managers went untaxed. Although the leviers of taxes do not seem to be aware of it, that is what happens with every tax that is levied. It is passed on to the ultimate consumer.

The notion that the big corporations and the rich men can be made to pay a heavy tax and thus relieve the poor man is so widespread that men who ought to know better accept it, and they have been damning Congress for reducing the surtax on large incomes. It need surprise no one if the Democratic platform in 1928 contains a plank denouncing the Republicans for favoring the rich at the expense of the poor.

Now, Henry George's theory was suggested to him by the conditions which prevailed in California. Large tracts of land had been bought at a low price. The owners refused to sell as the population of the State increased. They

were holding it for higher prices. In San Francisco there were large areas in the heart of the city assessed at a low figure which could not be bought.

Henry George thought that if this land could be taxed at the rate fixed for the adjoining land on which buildings had been erected, not only would the revenues of the city be increased but the development of the land would be forced upon the owners. And so he evolved his theory that all taxes should be levied on land and that the State should absorb what is known as the unearned increment, that is, the increase in value due to the growth of population.

Without going into the merits of his theory, it must be admitted that some, if not all, of the evils which he sought to cure could have been cured by raising the assessment on the vacant land. This is what happens nowadays in most communities. And it is not at all uncommon to see a lot in an advantageous location in a city covered by a one or two story building of cheap construction known as a "tax carrier." The owners are not ready to put up a large building, and they carry the property from the rentals of the small one. And the city gets its revenue.

And in practice, too, the city gets the unearned increment. It does not get it in a lump sum, but it gets dividends on it every year. A Chestnut street corner that sold for \$50,000 twenty-five years ago may be sold today for \$5,000,000 and a building worth a similar amount put up on it. The city, instead of collecting a tax on \$50,000, collects a tax on \$5,000,000 plus the cost of the building, so that the unearned increment is in the nature of an investment on which a permanent dividend is paid into the City Treasury.

The greatest evil in land taxation lies in the inequality of assessments. Where ignorance or indifference does not cause this inequity, it is due to political favoritism. There is altogether too much of this sort of favoritism in Philadelphia. If it could be done away with, the provocation to advocate some different system of taxation would not be so great.

"THE people they left the land, the land,
But they went on working hard;
And the village green that had got mislaid
Turned up in the squire's back-yard:
But twenty men of us all got work
On a bit of his motor car;
And we all became, with the world's acclaim,
The marvelous mugs we are."

From G. K. CHESTERTON'S
"Ballad of St. Barbara and other Verses."

THE Secretariat of the International Union for Taxation of Land Values and Free Trade has by special request forwarded to the Danish Section of the League of Nations at Geneva, copies of the Union's publications, *The Certain Pathway to World Peace* and *Free Trade and World Peace*, with issues of *Land and Liberty* reporting the Copenhagen Conference and containing special articles on Free Trade.

A Son of Philadelphia Who Won the Attention of Many Nations

(From the *Philadelphia Bulletin*)

HENRY GEORGE, though born on South Tenth street near Lombard, spent only ten years of his boyhood and early youth in Philadelphia. The Single Tax Congress, which observed his eighty-seventh anniversary on Thursday by opening their sessions here, served as a reminder that the author of "Progress and Poverty" was a native son, and the acquisition of his childhood home in this city to become a permanent headquarters for propagating his ideas has just been announced.

When scarcely beyond boyhood he went to sea and made several voyages before he settled in California at eighteen. His family remained in this city, and his brother "Tom" was for many years associated with the United Gas Improvement Company in an important executive position.

But in the middle eighties and during the ten years preceding his sudden death at the crisis of his second campaign for Mayor of New York in 1897, Henry George was a frequent visitor here. Outside the range of his economic agitation, he had several warm friendships in Philadelphia. One of the most intimate was with John Russell Young, who had been Minister to China and accompanied General Grant in his tour around the world, but had now returned to his dearest love, journalism, as editor of the *Evening Star*. Many a time was "Henry" within the sacred portals of the Union League as the guest of "John."

Some of the older members would have been greatly perturbed if they had identified the quiet mannered man sitting on the terrace of a Sunday evening in friendly converse with an ex-diplomatist as the terrible agitator who had come there from addressing a meeting of the Anti-Poverty Society in the Broad Street Theatre, on the opposite side of the street. But had such a member been invited to join the little group, he would speedily have decided that Henry George, the man, was far different from the Radical he had imagined. He would probably have capitulated to the simple, unpretentious charm of one who was philosopher and economist more than an agitator.

A PERSONALITY TO COMMAND RESPECT

There was a decided contrast between Henry George in person and the grotesque misconception of him by people who had formed hasty opinions concerning his doctrines. He was under rather than over middle height. His head was well formed. His face, mobile, with its high forehead merging into the bald crown, was that of a thinker. His neatly trimmed beard was auburn, in which light silver streaks were beginning to show. His figure was somewhat stocky, yet full of action on the platform.