

able, even to being coupled with death itself. But the latter will be recognized as payment for value received, and will be looked upon as any other exchange of values.

TAXATION, therefore, will not be given to devising ways and means of wringing from citizens the last dollar to be got short of revolution, but to furthering those laws that bring relief to industry and hope to those who despair of present conditions, by adjusting the burdens of government to the benefits received. The purpose, in short, is to teach the art of raising revenue in conformity with justice, and to adjust the functions of government to the social and industrial needs of the country.

### Selling at Cost

COMPANY stores in mining regions, timber camps, and similar isolated places have been one of the scourges of labor, but the company store proposed by one of the leading woolen manufacturers of Lawrence, Massachusetts, is hailed with delight by a great mass of employes. President Wood of the woolen mill threatens to supply goods at cost if the local merchants do not cut their prices. And in view of the present high cost of living it is not surprising that fifteen thousand operatives should "demonstrate" in behalf of a move that promises cheaper goods.

Retail merchandising is perhaps the least efficient of the various branches of industry. It is wasteful in multiplicity, in carrying dead stock, in delivering goods, and in numerous other antiquated methods. The competition of such a store as President Wood threatens to establish might eliminate this class of tradesmen. But there would still remain a heavy handicap to merchandising that even the big company store cannot escape, and that adds materially to the high prices.

The high priced goods of which consumers so bitterly complain are subject to burdensome taxes from the time they are manufactured until they reach the consumer. The manufacturer receives his wages, in the form of profits, by adding a certain percentage to the cost of his goods. This cost is made up not only of materials and labor, but of interest, insurance, depreciation of plant, and taxes. If he does not get all these charges back with a profit sufficient

for his own wages he will cease to manufacture. The same is true of the jobber, the wholesaler, and the retailer. To each the cost upon which he must figure his profit, or wages, includes the original materials, all the labor, interest, insurance, depreciation, and the previous and present taxes.

Why these taxes on trade? The liquor tax was understandable because the public desired to make alcoholic drinks expensive to the consumer in order that consumption might be reduced. But why apply the same treatment to groceries, drygoods, and other necessities of life? To a mill operative living in a rented house, owning no property, and having an income below the minimum taxable income, the question of taxation seems of no interest. Yet it is of vital importance. For it is he who pays all the taxes on all the goods he consumes, including the house he rents. A larger portion of his wages go to pay taxes than of the income of any other class of citizens. The retailers of Lawrence are protesting against the threatened invasion of President Wood, but Wood will keep out if they materially reduce prices. Cannot the tradesmen and the mill operatives join forces to remove the taxes on trade and industry, and thus secure cheaper goods? It is worth trying.

### Not the Best Way

HUDDERSFIELD, England, is attracting attention because it has awakened the interest of a former citizen who, having become a millionaire in Australia, wishes to aid the city in solving its housing problem. Though a very old town Huddersfield owes its present growth of a hundred thousand population to the modern development of the weaving trade. In 1599 Queen Elizabeth sold the land upon which the main part of the city stands for a few shillings to one William Ramsden, whose heirs are at present drawing an income of about a thousand dollars a day. As the estate, amounting to 6,000 acres, is now for sale the millionaire has agreed to purchase it, and resell to the city at the cost price, \$6,500,000.

The *New York Globe*, which has had many friendly references to the taxation of land values, speaks of this as an opportunity to test out the Singletax theory. Through the profits

derived from this land, the *Globe* says, the city would presently be able to "buy the rest of the privately held territory—some 5,859 acres—so that the city will be its own landlord." This would give the city an opportunity to experiment. "The proponents of the Singletax," says the editor, "have always urged that the heavy hand of the private landlord laid upon enterprise is one of the most sinister influences in our latter day civilization, and if ground rents were paid to the state population would be distributed more evenly, vacant land would be brought into use, and industry and agriculture greatly encouraged."

Unfortunately the Huddersfield experiment would not be a test of the Singletax. The principal advantage that might accrue to the tenants would be the future increment as the city grows. There would still be interest on the capitalization to pay, regardless of whether it went to city bond holders or to the former heirs of William Ramsden.

A better course for the citizens of Huddersfield to follow lies within their own power. Instead of depending upon the benevolence of their former citizen, which would be far less than at first seems, they might help themselves to something more substantial. Though they are suffering from poor and insufficient housing, and notwithstanding a large part of the 12,000 acres within the city are unused, they are pursuing the very policy most likely to perpetuate that condition. Unused land they leave untaxed. Buildings are assessed heavily and all industry is taxed to pay for the service of government. This policy encourages the owners of the idle land to wait for the increment that comes through the growth of population, rather than to build upon it. By reversing the course, by removing taxes from the buildings and putting them upon the land, the opposite effect would be produced. Land heavily taxed would have to be put to use. Buildings and other improvements untaxed would multiply. The rest is a matter of supply and demand: The more houses, the lower the rents.

The housing question is not primarily a matter of ownership. It matters little whether buildings are owned by the city or by an individual if the city will collect from the owner of the land upon which they stand the full value

of the service it renders. And this the citizens can insist upon doing without the aid of millionaires. It is not a question of benevolence; it is merely a matter of taxation.

## Helping the Young Professional Man

A UNIQUE union is that proposed by Thomas P. Kimball, president of the American Institute of Architects. Mr. Kimball has an exalted idea of his profession, and in order that its members may devote the full strength of their creative years to the service of society he wishes to have the way of the young man made easier. He would have them earn a living and acquire a competency before they reach the point in life where they begin to grow stale.

To this end he proposes a union, "a real hidebound, hardheaded trade union." He would include the lawyers and doctors and "everybody who serves the public and his clients before himself." And these would see that the young man gets his feet on the ground without years of soul destroying drudgery.

But will this really solve the problem? A union actuated by the high ideals of the president of the American Architects could undoubtedly save the young professional man much wasted energy. But what of the new members that would flock to a profession that promised so much? Young men as they reach the time of life for choosing their career are inclined to occupations that hold out the attractions proposed by Mr. Kimball. And while his union might succeed in setting on their feet those who are now struggling for recognition, the probabilities are that he would soon be overwhelmed. His experience might be similar to that of the Jewish society in Chicago that undertook to aid indigent members by establishing them in small shops, only to find that the new tradesmen crowded to the wall those already in business.

If a profession can obtain such a monopoly that it can control admissions to its ranks it may be able to push its way ahead of others. Failing this it will be difficult to better the condition of any without improving the lot of all.