

and for the ultimate consumer to cheerfully pay all the increases. This process has been in vogue from time immemorial; but it remained for the Guffey new deal type of statesmanship, to write it into the law of the land. Meantime, of course, the collectors of big royalties on the rich coal lands, and other minerals, keep on collecting.

Protection or Free Trade Manualized

THE School announces the publication of a manual for "Protection or Free Trade." The demand for additional courses by graduates of the course in Fundamental Economics has been met by a six lesson course in the principles of international trade, based on the classic on this subject by Henry George. Heretofore this course has been given by various instructors without the aid of formal questions. Each instructor depended on his own notes. These notes formed the basis of a series of questions and answers, which are incorporated in the new manual.

The course in "Protection or Free Trade" is offered only to those who have studied "Progress and Poverty," and is intended primarily for prospective teachers. In his book on international trade George gives a demonstration of how an economy based upon interference with natural law must result in an incongruous and anti-social situation. Thus the study of fundamental economics in "Progress and Poverty" is reinforced by a study of their application to a false fiscal policy. The last chapters of "Protection or Free Trade" are particularly effective as a review of the students' knowledge of the philosophy of a free economy.

The "Protection or Free Trade" Manual is offered at thirty-five cents.

PRICE OF TEACHERS MANUAL REDUCED

The first printing of the third edition of the Teachers Manual is nearly exhausted. A new printing will be ordered this month. Since the cost of composition will be eliminated, it is possible for the school to reduce its price of the Manual from one dollar to thirty-five cents.

This new price goes in effect on October 15. In ordering the Manual please stipulate that you want the Manual on "Fundamental Economics" to differentiate from the new Manual on "Protection or Free Trade," which is offered at the same price.

WHAT is by nature the common birthright of all, we have made the exclusive property of individuals; what is by natural law the common fund, from which common wants should be met, we give to a few that they may lord it over their fellows. And so some are gorged while some go hungry, and more is wasted than would suffice to keep all in luxury.

THE LAND QUESTION, BY HENRY GEORGE.

Landlordism

BY JOSEPH S. THOMPSON

IF your house were on fire and your piano needed tuning, to which would you telephone first: The Fire Department or the piano tuner?

If a sane, intelligent ism-less means for ending our economic distress were at hand and a host of futile panaceas were also before you, which would you choose: Ending your evils or poulticing your wounds?

If you were laboring, struggling, striving and failing under an ism that was certain to keep you in misery, why would you care if you were threatened with Communism or Fascism or Bolshevism in exchange for your present ism?

Well, your house is on fire and the remedy is at hand and you are struggling against as miserable an ism as any that you fear, so why don't you wake up Mr. Business Man and Mr. Professional Man and Mr. Farmer and Mr. Working Man and Mr. Artist and Mr. Artisan and Mr. Merchant and Mr. Inventor and all you Misterys who have ideas and products and services to sell or provide, and who do good work and who ought to be well rewarded for it!

For the ism you labor under is *Landlordism' And Landlordism is respectable racketeering.*

And the remedy, so simple, so long before us, so thoroughly explained and so clearly described (with the burdens and woes due to ignoring it, so marvelously prophesied) is simply this:

Meet publicly created needs by publicly collecting publicly created wealth. Leave privately created wealth in the hands of those creating it.

And what is publicly created wealth? And what is privately created wealth?

Publicly created wealth is the value of the land; privately created wealth is money earned. Only the presence of the people can give value to land. The value appears in rent that rises in proportion to the numbers of the people. *Put that rent in the public treasury. Stop taxing homes. Stop taxing industry. Stop taxing the fruits of labor and of genius. Stop taxing anything unless you want to destroy it. A tax is a fine. Get your public revenue from the value you publicly create.*

We own our United States. We Americans. We surely own our own country. You don't own it. I don't own it. But WE do. And we prove it by taking a part of the land rent that we create in the form of a tax. And if the holder doesn't pay the little portion we now take he forfeits the land. *But we let landlords who give nothing take the most of it and then we burden ourselves in our capacity as industrialists and workers and capitalists, and in all other forms of serving our fellows by taxing ourselves to make up the money they get for letting us live in our own United States.*

Yes. As capitalists. We need capitalists. Men who work and build and save and plan are capitalists. A capitalist is a man who saves his money and puts it to work. But if we were wise and took all the land rental value we create no capitalist would put his savings into land. We do not need the aid of capital to furnish land. We do need the aid of capital to prepare it sometimes. And we need the aid of capital for many things.

It was not Capitalism that spurred the Russians to bloody revolution. They has little capitalism in Russia. Almost none. Try to think of some big Russian Company. The railroads belonged to the state. *What murdered them was landlordism.* The privilege of a few to tax for their private use. The Russians happened to read Marx instead of Henry George, and mistook *Landlordism* for capitalism.

But capital invested in the privilege of collecting the public revenue is money paid for the right to hold us up. Nothing else. No matter how time-honored the custom of permitting some of us to trade in the right to collect land rent, a public revenue, it is different in form only from giving the privilege of trading in black-jacks or machine guns for the "protection" racket. In what one of its effects on commerce and the public good does collection of land rent differ from collection of protection? In what way? What service does the landlord perform? What service does the racketeer perform?

Landlordism is the father of all monopolies. Why do we rage so about public utilities that absorb three per cent of our income and furnish something for it, while we supinely agree to *Landlordism* which absorbs thirty per cent and gives nothing? And regulated utilities could give cheaper service if their equipment were freed of taxes.

Like *Landlordism*, taxes are a heritage of the ages of man's ignorance. There should be no taxes. A tax is a fine. In what way do they differ? To tax a man is to take part of his money to pay public expenses, whether he wants to pay it or not. Yet that same man by his presence alone has made the land rent just that much greater than it would be if he did not exist, be he a great business executive, a great professional man or a day laborer.

We Americans get along pretty well with private initiative. We have rewarded many men who have put things at our disposal. We need them. We set our individual hopes by them. A fine architect ought to get rich. A fine doctor ought to get rich. An author who pleases. A toolmaker. Why not?

But are we so dumb that we cannot discern the difference between reward for service and reward for useless privilege?

Are we so damned dumb that we are going to let ourselves murder each other into Communism or Fascism to protect our stupid practice of pouring public revenue

into hands that do nor earn it and tearing its equivalent from private hands that do earn it?

Private enterprise deserves a reward, provided it isn't the enterprise of the hold-up man. There should be rich people if their riches are secured by furnishing something that people want and that they produce out of themselves. Brains should be rewarded. Brains that serve and create are the only thing of value in the world. The public does not begrudge a rich reward for brains that serve, and we need not fear brains, for men of true intellect do not prey upon their fellows.

Values created by individual thought and labor should stay in the hands of that individual. Values created by the cooperation of groups should remain in the hands of those groups. *But values created by the public should remain in the hands of the public!*

One concrete instance: San Francisco's largest office building is the Russ Building. Capital built the Russ Building and deserves a reward for placing so fine a structure at the disposal of the people of San Francisco. But that capital is having a hard time and is not getting its reward. The capitalists who built that building pay taxes. The tenants pay taxes. But the capitalists will lose their reward and their capital too if they fail to continue to pay the *ground rent* (\$120,000.00 per annum) of their ninety-nine year lease. The ground rent to the Russ estate for the privilege of existing in San Francisco. And what does the Russ Estate do for them with the money? It pays a fraction of it in taxes. The balance may stay here but probably goes elsewhere. True it may have *bought the right** to levy tribute on the building, and to say to San Franciscans "Before you step on this part of your city, pay here!" It bought a right that is not a right. It is a privilege born of public stupidity. And just as the purchaser of stolen goods loses them without recompense when the owner discovers them, so should the public take back its self-created value by levying a charge for rental against all the land to the full extent of its yield. And take its collective hand out of the thinker's and the worker's private pocket.

The private collection of land value or publicly created income is *wrong*. The public appropriation of privately earned income is *wrong*. As long as we cherish and protect something dead wrong in our economics—*Kill your pregnant pigs! Dole your dole. Plough in your wheat. Putter, Peck and Dabble, but don't expect to go ahead.* The Free Land is gone.

THE burden of municipal taxation should be so shifted as to put the weight of taxation upon the "unearned rise in the value of the land" itself, rather than upon the improvements.—THEODORE ROOSEVELT.

* Russ bought the site of the Russ Building for \$37.50!—Vide S. F. Chronicle, Oct. 8, 1932.