

THE SINGLE TAX REVIEW

A Record of the Progress of Single Tax and Tax Reform
Throughout the World.

MONEY IN BABIES.

(For the Review.)

By JUDSON GRENELL.*

What is the value of a baby to Detroit? How much richer is this community, when the wail of a new-born infant is heard for the first time? Fond mothers could not be induced to part with their infants for a million dollars apiece, or two millions even. In fact the wealth of the Indies is but dross compared to these little bits of humanity, red as boiled lobsters and the most helpless of all living things. The average father is better able to figure out the expense than the real value of his dimpled darlings. He knows, by experience, that \$1,500 will hardly cover the cost of bringing to a wealth-producing point, the average child, so that the three average children in the average family represent an expenditure of at least \$4,500 for food, clothing and shelter. And in many instances the cost is far above this modest sum.

But aside from the cost or value of a child to its parents, each individual baby has an actual value to a certain class in every community, independent of family relations: and proof of this can be found in the city hall, in black and white, rather black on white, though the result is the same whether the child is black or white, brown or red, or whether born on "Piety Hill", "Corktown," the "Indian Village," or in the ghetto. God may have made of one blood all races that dwell on the face of the earth, but man has contrived to differentiate them as to the conditions under which they shall be born.

The figures herewith given are not mine. Only the deductions can be charged against me. The statistics are obtained from the assessors' books, the United States census reports and the records in the city engineer's office. They show what Detroit city officials have, from time to time, guessed should be assessed against the land area of the city, what the census canvassers found as to population, and the calculations of the city engineer as to our municipal

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area. These are assembled in orderly fashion, so that their relation to each other may be seen by those interested in a great moral and economic reform.

These figures cover a period of 30 years, which is a sufficient time to indicate the trend of economic conditions that enable us to couple dollars with babies, showing the actual assessed value to the community each addition to the population makes—a value which is absorbed by the owners of the land, and which enables them to obtain wealth without work. The land owner as a land owner is a parasite. He renders society no service for the privilege of absorbing that unearned increment which we call land values.

Population and land values are first brought together, giving the assessed land value of Detroit for the years 1880, 1890, 1900 and 1910, and the population during these periods.

Year.	Population.	Assessed Land Values.
1880.....	116,342	\$ 40,494,575
1890.....	205,876	75,164,980
1900.....	285,704	106,472,570
1910.....	465,766	129,760,460

During these 30 years, as here shown, population increased 300 per cent and assessed land values 225 per cent. The city also grew in area, but this was necessarily on the margin, where land values are always the lowest, and where, in most cases, the only actual value was for agricultural purposes. The result of these periodical enlargings of the city's boundaries have been to pull down average values, but ever increasing population soon recouped the loss, so that at each recurring census period not only was the actual assessed land value of the city increased but so was the density of population. Note the following figures:

Year	Area. Square Mile	Density of Population Per Square Mile.
1880.....	16.00	7,250
1890.....	22.00	9,400
1900.....	28.54	10,000
1910.....	40.00	11,500

Next is seen the assessed land value per square mile, which, notwithstanding this increase in area has also increased.

Year.	Assessed Land Value Per Sq. Mile.
1880.....	\$2,530,910
1890.....	3,416,590
1900.....	3,675,000
1910.....	3,244,011

Putting the assessed land value of the added area at the average price

of \$1,000 an acre, or \$640,000 per square mile, the assessors' books show that in the past 30 years the assessed land value of Detroit increased \$77,745,885.

Between 1880 and 1910 the population of Detroit increased 349,424. Divide the increased land value by the increased population, and the result shows that the assessors have added \$222 to the assessed land value of Detroit for every baby who has survived the perils of childhood and been counted as the part of the population.

This increased value the landholders have appropriated; nothing was given in return. It attaches to every lot in the municipality according to location and area, and is entirely different from values made by improvements. Whether the owner was an honored citizen of the city, or was in the Kalamazoo insane asylum, whether ignorant or intelligent, whether a wage worker or one of the idle rich, whether man or woman, or child in arms, made no difference and was not taken into account. For each one of the added population there was, in the last 30 years, added by the assessors, to the value of Detroit's area, \$222. In short, Detroit has presented a gift to its land holding class, in the past 30 years, of \$77,748,885.

Had the assessors last year assessed land values in Detroit in the same proportion to population as has been done in previous years, these figures—the value of each baby to landowners—would have been considerably swelled. In 1880 the per capita of assessed land value in Detroit was \$348; in 1890 it was \$364; in 1900 it was \$374, but in 1910 it dropped to \$272. Why? You will find the answer in the totally inadequate assessments on land, mainly, I opine, in the center of the city.

For example, the real land value of the block bounded by Woodward and Michigan avenues and Griswold and State streets, as shown by estimates made by a number of reliable real estate dealers, the past winter, for other than assessing purposes, was \$6,009,000. It was assessed last year for the totally inadequate sum of \$2,514,900. The Scott lot and building, on Woodward avenue, between Fort and Congress streets, were sold recently for \$250,000; it was assessed last year for \$83,850 on the lot and \$25,000 on the building, a total of \$108,850 which is less than half its selling value.

Should the assessors do their duty this year, in regard to assessing land values, even as faithfully as have assessors in the past, they will immediately add to the assessed land values of Detroit at least \$100 per capita, or a total of \$46,576,600. If they assessed the land at its true value, they would have to add close to another hundred million dollars. How handy \$46,000,000, even would come in today, is self evident when we remember how the aldermen and estimators are struggling to get the tax rate below the 2 per cent mark. The failure of the assessors to place this \$46,000,000 on the rolls is equivalent to a gift to Detroit land owners, this year alone, in taxes, on a basis of a 2 per cent tax, of \$931,540. And at the same time and to the same extent this failure has the effect of a fine on enterprise and industry, for wealth, instead of land values must bear this burden.

Turning for a moment to the assessed value of the improvements and personal property of Detroit, for the past 30 years, the figures show that the assessors have been feverishly anxious to get every dollar they can on their rolls. And they have managed to greatly increase the totals of the assessments at every decade. The figures are:

Year	Assessed Improvement Tax.	Assessed Personal Tax.
1880.....	\$ 24,061,510	\$ 19,807,705
1890.....	48,226,630	38,436,960
1900.....	67,692,870	70,206,110
1910.....	130,037,870	117,537,660

Reduced to per capita assessed values the figures are:

Year.	Per Capita of Assessed Improvement Value.	Per capita of assessed Personalty Value.
1880.....	\$200.00	\$172.00
1890.....	243.00	190.00
1900.....	240.00	250.00
1910.....	280.00	250.00

The present method of obtaining personal property values is so inquisitorial that it manages to catch all the widows and orphans' estates in the probate court, and honest citizens, but it is as ineffective as ever in obtaining any hold on property the owners desire to conceal, if they are at all careful. The assessed value on improvements is for the most part guess work, with too low figures on new buildings and too high figures on old ones. But for this the assessors are not entirely to blame. These values do not depend upon, and are not affected by, population.

I hope I have shown you conclusively that there is "money in babies." Each one is certainly worth \$222 to city land owners, say the assessors, and the assumed figures were as high as \$379 ten years ago. No one has to own a baby to obtain this value. Indeed, so far as the profitability, from a money point of view, of owning babies is concerned, one had better not own any. It is only necessary to possess a title to some of the land which this baby will in due time need, in order to create the wealth by which alone it can exist.

Of course increase of population by immigration is equally serviceable as a land value raiser. Whether the living soul arrives by the stork route, the Detroit United Railway, the White Star steamer line or the Michigan Central Rail Road, the effect on land values is the same.

TRADE is a labor saving method of production, and the effect of tariff restriction is unquestionably to diminish productive powers.—HENRY GEORGE, Protection or Free Trade.