

A Merchant's View of the Single Tax

By William F. Baxter

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FOREWORD BY THE JOSEPH FELS FUND OF AMERICA

In the introduction to "Progress and Poverty," Henry George stated that the problem of civilization was to find the cause of the persistence of poverty, in spite of constantly increasing power of wealth production. It was to find the cause of such illogical situations as that of the woman with a sewing machine, forced to work as hard in the same "poverty, hunger and dirt," as did her predecessor with a needle in the days of Thomas Hood. That was the problem when Henry George began his work.

It is a problem no longer. The solution was presented in "Progress and Poverty". It only remains for those who would remedy so intolerable a state of affairs, to investigate his proposition and endeavor to have it applied.

Many are doing so. Henry George's works have been supplemented by the writings of others, presenting in different ways and sometimes from different view-points the truth that he made clear.

"Progress and Poverty" is a linked argument, the thorough study of which may require more time and patience than a very busy reader may feel himself willing to give. It treats the question from all sides, whereas some readers may be interested in but one. For such as these the supplementary writings are to be recommended.

These supplementary writings consist not only of the later writings of George, but of such able writers as Thomas G. Shearman, whose "Natural Taxation" may be well considered unsurpassable as an interesting exposition of the fiscal side of the Single Tax. Then such writers deserve mention as Louis F. Post, Frederic C. Howe, Bolton Hall and many others. The problem of civilization has been solved, but the responsibility of applying the solution still remains upon us,

for conditions are still as Henry George showed "in the very heart of our civilization, today women faint and little children moan."

And we must bear in mind his words when it comes to making practical use of the truth he made clear. If thoughts of its application "run counter to our prejudices, let us not flinch; if they challenge institutions that have long been deemed wise and natural, let us not turn back."

WILLIAM F. BAXTER

Mr. Baxter is a merchant in Omaha, a growing city located in the rapidly developing section of the central west.

Being a resident of Nebraska from boyhood, he has seen and been interested in the great material growth of America's favored agricultural section and intensely concerned for its continued advance.

He has been a resident of Omaha and inactive business for 30 years. Ten of that period in the wholesale dry goods business and the balance in building up and conducting with his partners what is now one of the large retail department stores of that city.

Keenly alive to business questions and realizing the responsibility of a citizen in community affairs; he has been an active worker in the Commercial Club of Omaha, one of the fore-most business organizations in the west, serving a number of years as a member of its executive committee.

A student of social and political questions, he has come to see what is apparent today to most thoughtful observers, that for business expansion and material growth to continue and in order that our growing population may participate in its advantages and have preserved to them the opportunities the Declaration of Independence promised, there must be a readjustment of the laws affecting the accumulation of wealth.

He believes that readjustment can take place naturally, gradually, equitably, and ethically through the transference of the burden of taxes from industry which must be encouraged, not discouraged, to the value of land which is itself the result of industry and government. The article following was written at the request of the Omaha *World Herald*, one of the leading daily papers of the country, and was by them printed in a Sunday issue.

A Merchant's View of the Single Tax

Recently there appeared in the Sunday World-Herald, on two different dates, a number of letters written by various Omahans in which they gave their opinions as to the best method to be pursued in order to make "Omaha a bigger and better city and make Nebraska prosperous and populous.

These letters have been commented upon at home and abroad and have had the effect sought when the query was put by the Sun-day World-Herald, for general discussion has followed among all classes, and through the airing of opinions good is bound to come, both to Omaha and the state.

Following the appearance of the last installment of letters, William F. Baxter of Omaha, one of the best posted men in the country on single tax ideas, wrote the World-Herald as follows:

Truth Most Important.

"I find that the well nigh universal recommendation for state development as set forth in the various communication to the World-Herald, is publicity. The most potent pulling power of publicity is (or should be) truth. Next, an unique appeal to the needs or wants of people. Therefore, instead of grandiloquently exhorting on the glories of the past and on the rosy promise of the future, using the same glittering generalities that any other state might use, yielding, doubtless, to the natural temptation to draw somewhat on the imagination for the facts, why not provide an appeal that will furnish a real tangible and truthful claim to superiority, a valid and enticing item for publicity.

"Very slight reflection will convince one of the fact that securing a hundred new settlers will make it much harder to secure a second hundred, for the approach of the first hundred will immediately be a signal for an advance in the price of land that must be used. So responsive is this tendency that before the second hundred could locate, the opportunity would have grown so much less attractive that they would be discouraged and probably not remain.

"Why not provide that the state would really reap the advantage of increased immigration, by conducting the affairs of government from

the increase in the value of land which immigration would create. In other words, tax the increment that increased population would produce. Then advertise to the world that because of our system of taxation our land was cheaper than our neighbors', as well as being of the best on earth.

"Advertise also that because of that system neither the persons, the labor, the machinery nor the products of our people were or ever would be taxed.

"With such a slogan for a headline I would consider liberal publicity profitable and predict such a tide of immigration as would crowd our state and multiply many fold the value of the privilege of being a citizen thereof."

Baxter Defines Single Tax.

It is understood, of course, that Mr. Baxter refers in the foregoing to what is known as "single taxation," and in order to arrive at a fair idea of what single tax means, as interpreted by Mr. Baxter, and those who agree with him, an interview was obtained by one who has no knowledge of single tax, as is probably true of most of the people of this country, and he was asked:

"What is single tax?"

"It is a method," replied Mr. Baxter, "pointed out by Henry George whereby the necessary cost of government collected through taxation might be made a means of aiding in the proper distribution of earned wealth. The problem which impressed and appalled Mr. George, as it has many an economic student, especially in this rapidly developed country of ours, was the tremendous progress of prosperity with the terrific increase of poverty, hence the name of a book which is the foundation of the doctrine, 'Progress and Poverty,' at all book stores for 25 cents.

"This practical plan for the correction of the evils of land monopoly through taxation came first from Henry George. But, of course, the recognition of the principle of community right to land use and value is much older. The economists, or so-called physiocrats of France, in

the latter part of the nineteenth century emphasized its importance. Among these was Turgot, the great treasurer of Louis XVI. Historians with economic interest aver that had the land reforms so ably begun by Turgot been continued there would have been no French revolution. In other words, that great social upheaval really voiced a demand, long repressed, for the right to use land. The Mexican troubles of today have the same foundation. Now I will tell you in Henry George's words what single tax is:

"We propose to abolish all taxes save one single tax levied on the value of land irrespective of the value of the improvements in or on it.

"What we propose is not a tax on real estate, for real estate includes improvements.

"Nor is it a tax on land, for we would not tax all land, but only land having a value irrespective of its improvements, and would tax that in proportion to that value.

"Our plan involves the imposition of no new tax, since we already tax land values in taxing real estate. To carry it out we have only to abolish all taxes, save the tax on real estate and to abolish all of that which now falls on buildings or improvements, leaving only that part of it which now falls on the value of the bare land."

"Would not this system work a great in-justice by reducing the value of honestly acquired land in the hands of individuals who now own it?" was asked.

Crux of the Problem.

"This question," explained Mr. Baxter, "really gets immediately to the crux of the whole problem of what is just and what is right. Those responsible for government might well conclude that the greatest good to the greatest number was sufficient war-rant for any policy, and if it could be demonstrated that more people would be benefited than injured it would be wise. This is true in a very broad sense—true in the sense that what is right must always eventually be for the good of all. Yet as a guide for future action we must go deeper than this. There are fundamentals in morals capable of such clear

demonstration, it seems to me, that they furnish a perfect guide to action. If the present system of private appropriation of land value will stand a fundamentally moral test, then surely it would be unjust for government to exercise its authority even to immediately benefit a majority of its people. If, on the other hand, the system will not stand that test, then its continuance must be unjust to all those dispossessed. Man is supposed to be born into the world with a right to life. Our own national declaration says 'an inherent right to life, liberty and the pursuit of happiness.' Life cannot be maintained without land. Air and sunshine, which we consider free are useless without land. It is therefore not conceivable that the right of the individual, every individual, to the use of land could ever be denied and it must follow that any abridgement of that right is a fault of government. Civilization advanced from the first time the rights of property were recognized. Should we not then inquire carefully into the question, 'on what are the rights of property founded?' To contend that they are founded on force—the right to hold whatever might can hold—is to abandon law. To found them simply on statute law is to abandon democracy and to hold that written law is not subject to the will of the people governed. Must they not then for permanence rest upon moral law, the highest conception of reasoning people?" Continuing, Mr. Baxter said:

"The right of the individual to life, to himself must carry with it the right to the disposal of his labor; the right to whatever product may result from that labor. There can be no other valid individual right to property. Land is not the product of any-one's labor, but the gift of God to all mankind. Where is there the earthly power that can justly say this portion of the earth's surface shall belong for all time to John Smith or Henry Brown, and all other people shall pay them for the privilege of its use? I think it has been amply demonstrated that permanent and exclusive possession is a valuable attribute in the use of land, and its recognition involves no sacrifice of social right. But that it is distinctly a privilege which society grants must be conceded, and that society alone has the right to demand payment for the value of the privilege should naturally follow.

"The value of this privilege is what we speak of as the value of land, that is, the yearly rental capitalized. What is it then that produces that value? Not the exertion of the owner on the land in question, for were

the owner of the original site of Omaha to have labored his lifetime on it without assistance or company he would not have perceptibly increased its value. On the other hand, had he never in all his life done a bit of labor, but had anticipated the approach of population and simply charged others for the privilege of laboring, he might be a Croesus. Is it not, there-fore, clear that the value of land, less improvements, is community created? And can there be injustice in taking it for community uses? Is there not, on the other hand, great injustice in taking by force (I mean here legal force) the products of all men's labor in order that some men may profit by its expenditure? I do not mean that all people enjoying the -protection and comfort of civilized government do not get, value from it, but the value that accrues to land by reason of the beneficent government is in addition to that which all enjoy."

"Do I understand that single tax would reduce the expenses of the wage earner?"

Says Would Reduce Expense

"It would both reduce the expense of the wage earner and add to his income," was the reply. "It would reduce in two distinct ways: First, by reducing rent. The rent that the average wage earner pays directly is no inconsiderable part of his income. What he pays indirectly is something that is seldom taken into account. If one but stops to think that there is, added to the cost of what every consumer must buy, the speculative rent of the improvements on land that grows the original product, of the manufacturer who prepares it for use, of the merchants, both wholesale and re-tail, that handle it, the rent of the transportation company that transports it, until this speculative rent cost is no inconsiderable part of the value of the article. Single tax, by eliminating speculation and exploitation value from land and by encouraging the use of land now held out of use, would greatly reduce rents. The user and the consumer would profit.

"Second, he would profit by the reduction of his taxes, for not only would he escape the fine now levied upon him for possessing a few articles of household furniture, but the same process of added taxes on the consumer, as is above pointed out in the case of rent, would apply. He now pays the mall. Under single tax they would all be eliminated.

"Before leaving this subject I want to answer a charge that is frequently made, that the increased tax on land value would be passed on to the consumer the same as any expense is now. This would not be possible. If rents were reduced, anyone can see that there would be less expense to pass on, for that is the only means of passing it on. In order to pass on this increase in the expense of land ownership, therefore it would be necessary to advance rents instead of reducing them. Any real estate man will tell you that you can't very well advance rents when there is an increasing quantity of land seeking to be used, as would be the case were holding land for speculation not so profitable. Furthermore, land is now rented for its entire value at the time of making the contract and nothing can change that value, except the conditions on which it is based be changed, that is, the number or condition of population: For example: The corner of Sixteenth and Farnum has recently been leased. Does anyone suppose that the owners of that corner did not get all they could? Can you imagine that, after negotiating with the lessees and arriving at the maximum that they would pay, they could then have said 'Next year our taxes will be raised \$1,000,' and added that. No, it would have been \$1,000 more than the privilege of use would have been worth. And the wise lessor would not have paid it. Someone might say, 'That would be all right if all other property were raised accordingly.' No, not even then, for you'd kill your town and it would only be a short time until the privilege of doing business on Sixteenth and Farnum would be worth much less than it is now. That same condition applies to all land, all the time."

Land Is Essential.

"Now, Mr. Baxter, please go back to the wage earner and show how it would increase his income as well as reduce his expenses," was suggested.

"It must be evident that to labor one must have land," he replied, "for without land and its products there is nothing to labor on. Laborers today must compete with each other for the privilege of laboring, hence, when the pressure of supply of labor on the demand gets too strong, we have trouble, for the jobs cannot be increased, and the same number must battle for them. So we have the unintelligent labor

union with its frequent disastrous strikes. If the land of the country now held out of use could be thrown open for use, instead of being monopolized, there would be jobs enough for all, and labor would receive its proper reward without either the arbitrary restrictions of the union on the one hand, or the infinitely less excusably arbitrary monopoly of natural resources on the other. Further, by putting to use Idle resources, land and labor, production would be largely increased and the whole world would profit thereby.

"We have had, until now, a constant sup-ply of new land in this country for use. That this has very largely contributed to our prosperity, must be apparent to any-one. Should there now be discovered a vast tract of new, rich land open to any-one who would use it under our homestead laws, it would wonderfully relieve the labor market and add greatly to production. The same condition, but much greater, may be produced by preventing speculation in and encouraging the use of the vast domain now unused scattered throughout our well settled states. And especially in our own state of Nebraska, where tracts of 3,000 to 5,000 acres are held by one man. Some of it not, perhaps, altogether out of use, but used far from its natural capacity. 'Only scratched,' is the usual description."

"Under the single tax, would it be possible for men to accumulate great wealth as at present?"

"No. For great fortunes are based on land in some form. The possession of that which man must have in order to live is the most attractive investment, and while it lasts investment in productive enterprise will be handicapped. And when it ends, monopoly will cease.

"Suppose a fortune was accumulated, say in manufacturing—and I do not think that there should ever be discouragement of legitimate accumulation—what is to be done with it? But two options are open. Either it is invested in land in some form, be it farms, city lots, mines, railroad right-of-way, or what not, or it must be invested in productive enterprise (of course, I mean if used at all). Close the first option and you have all accumulated capital flowing into production and benefiting all mankind. There should then be no need to cry lack "of capital for railroad building or any other wise purpose."

"Would single tax, if nationally adopted, affect the revenue of government? If so, in what manner?"

"That question opens up such a breadth of discussion that I would prefer not to cover it at this time. Later I shall be glad to do it separately. For the present, at least the matter is a state one. I might say, however, that the taxation of land values was the intended means of raising national revenue when this government was instituted. It was so provided in the original articles of federation. In the constitutional convention, however, the faction of New England manufacturers proved too powerful and a protective tariff won out. I have recently been reading Thomas Paine's 'Common Sense' articles that were so instrumental in forming public opinion during the revolution. He many times refers to the great resources to be secured by the new government, pointing out that the back lands, that is the territory west of Pennsylvania, would pay all of the debt created by the war and all future expense of government."

"Would it be easier for a poor man to secure and own a home under single tax than at present, and if so, why?"

Make Unused Land Unprofitable.

Mr. Baxter replied: "I have pointed out and I hope made clear that the effect of increased taxation on unused land will be to make it less profitable to hold it out of use. It should produce an effort on the part of the owner to use it or dispose of it. When a large number want to sell at the same time the usual result is lower prices.

Such would undoubtedly be the case; cheaper land, hence easier for the poor man to secure land. Should the full application of the single tax be reached, that is, should all of economic rent be taken, it is evident that land on which to secure a home would involve no investment at all. The only capital then needed would be what was spent in building or improving. This, however, is not what is now advocated for immediate practical application. But as the advantages of this method of taxation were perceived through practice, the tendency would be to extend its use until practically all of the rental value of the ground was absorbed.

"Would the expenses of the poor man who had secured a home increase under single tax?"

"No, they would decrease, for the reason that it would be very rare, if ever, that the cost of the building and other improvements did not exceed the cost or value of the lot. If we are to suppose the same amount of money raised by taxation, I do not know what the rule of relative cost of home to lot is, nor what experience has discovered the average to be. From my own observation I should say that a \$500 lot would require a \$1,500 to \$2,000 house. It should therefore be conservative to say that the value of improvements would usually be three times the value of the lot as a minimum. Assuming that the rate of taxation would be three times the present rate being levied only on land value the minimum would be exactly the same as at present. Therefore any addition in the size or the character of the house, any added improvements, whether for beautifying or for conveniences, would be without tax at all. Does not that suggest a premium, an inducement for producing a city beautiful?"

"I have a survey made of the city of Woonsocket, R. I., a city of about 30,000 people, taken for the purpose of making an exact showing of the effect on individual property owners of a change from the present system to single tax. Referring to the chapter on small home owners I find that their showing was that the value of improvement were about four times the value of the lot. It is easy to see, however, that the relation might shift in different cities and under different conditions, but it is not conceivable that the expense would increase."

"At the present time the assessed valuation of all property in Omaha is \$38,000,000 in round figures, which gives, under our present plan of one-fifth valuation, an actual value of around \$190,000,000. Now under the single tax plan, if adopted now, what would be the assessed and actual valuation of all Omaha property, real and personal?" was asked, to which Mr. Baxter replied:

Objects to Valuation Plan.

"First of all. is not this plan of one-fifth valuation a silly one? I hope our present legislature will see that that is changed, at least. I can

conceive of no possible defense for it. I presume that it was supposed that evasion of assessment would be easier under it and, inasmuch as under our present system it seems to be the object of every owner of property to evade as much as possible, we really arraign this system when we arraign that feature.

"Just here might be a good place to inject a thought on the moral havoc our present system entails. Few of those who support the principle of a personal property tax really believe in it, for if they did, they would observe it and insist that others do likewise. As an evidence of the discrepancy between assessment and actual value: The amount of money listed on the grand assessment roll of Nebraska is, or was a year or so ago, roundly, \$5,000,000. The bank deposits of Omaha alone are around \$50,000,000. What an immense farce! Land is the one thing that can be more accurately valued by a competent assessor than by the owner. It cannot be concealed or removed. It is the one thing on which taxation could be increased without reducing the quantity or driving it out of the state. I will concede however, that to assess all property at its full value uniformly, as provided in our present law, would be disastrous to our welfare. The law never has been, and doubtless never will be, enforced. It is, unfortunately, executed in such a way as to produce greater inequalities than a wise law permitting exemptions would produce. Isn't it time to be honest?

"But to your question. I am under the impression that you are using county figures which are made up as follows, approximately: Land, \$62,000,000; improvements, \$54 000,000; personality, \$69,000,000.

A good deal of what is really land value is included under personality, notably franchises. It is probably not far from the mark to say that our assessment is divided, one-third land, one-third improvements, one-third personality, although, no doubt, a proper and scientific assessment of land would discover much more value. This division enables one to clearly grasp what is involved in transferring all direct taxes to land; viz: First, relief from taxes on all personal property, therefore official encouragement for the production and accumulation of it on the part of our own citizens, as well as attracting to us strangers with property to bring. Second, relief from all taxes on buildings and improvements, therefore official encouragement for the erection of more and better buildings, as well as the extension of all

improvements. Third, the taxes of land values, multiplied by three, with the result that well improved lots would pay but little, if any more than now, small and medium homes less, while shacks and tottering structures would be no longer profitable, and vacant lots would be put to some use. This latter might involve the growing of corn in some of our outlying additions, but why not? Do we not now go to a great deal of unnecessary city expense to construct and maintain graded and paved streets, curbs, gutters, sewers, water and gas pipes, electric light wires, police and fire protection, past hundreds of vacant lots held for speculation, in order to serve the few citizens who have been driven, in seeking a home, far from where they should have been able to locate?

Would Apply the Same;

"You will understand, of, course, that the conditions of assessment would apply the same under single tax as now; that is, if the value is accurate now, it would, be accurate then."

"If single tax were adopted, what effect as to valuation on the market would it have on downtown improved real estate in Omaha—which would equally apply to any other city?" was asked.

"The value of well improved real estate would not be affected, as is shown in answer to your last question, for real estate, as assessed, includes land and improvements. Vacant lots would pay considerably more and poorly improved lots some more.

But what makes the value of downtown property? The condition of our city, the state of population and its number, the advantage it affords as a place in which to live and do business. Single tax would be a failure if it didn't increase and improve all of these things, and if it did you have an increasing value, which it is quite conceivable would exceed what might be reasonably expected from any other course.

Hence, paradoxical though it may seem, so sure is the reward of doing right, you would have, as a city all the benefits to be derived without cost to property owners." "What effect would it have on outlying

residential property? Also on unimproved residential property—reference being made to value?"

"It would have the effect, in my opinion, of turning a good deal of so-called outlying lots back into cornfields, where they belong. Unimproved residence lots in districts now settled or partially settled, would be offered at a reduced price undoubtedly. The price would doubtless fall until some-one was tempted to buy and build. Should Omaha, grasp the advantage of this system in advance of her competitors it is conceivable; that we could attract newcomers enough to use most of them. The man who has already improved too far out could move in on a lot much more suitable to live on and much nearer his work and secure it at what his outlying one had formerly cost."

"What would the probable outcome be from taxing real estate at its rental value, and what would the city government do with the large income in money?"

Tax Only the Land.

"I am glad you conceive the large in-come. Some try to say it wouldn't be enough. There is no practical question at the present time for political consideration save what has been indicated, namely, to remove all direct taxes except the tax on land value. This would raise the present revenue by increasing, as shown, the tax upon land value to possibly three times the present amount. Any needed increase in government expenditure would be available when needed, for the beauty of this system is that the expenditure of government for extending its usefulness produces in the act added value to land and therefore added sources of revenue."

"If nothing but land is to be taxed, wouldn't public service organizations, like the street railway, for instance, escape taxes that they should pay to help meet the city government expenses, and how should this be regulated?"

"There is, unfortunately, I believe, a disposition to approach the subject of taxing corporations, especially public service corporations, with less spirit of fairness than applies to any other form of property. I do not want them to escape fair taxation, but if someone is going to

escape, I would sooner give the opportunity to men who had actually used their capital and their energy to build up the community than to those who had done nothing actively to contribute to the means of comfort and convenience. To be plain, I would consider Mr. Wattles and his associates much more entitled to the consideration of the community in the penalizing of their property, if such were to be admitted at all, than the owner of, say, the Meyers-Dillon corner, for instance, who have never aided in any way in the upbuilding of the city.

"However, I do not advocate penalizing anyone, but simply that benefits which accrue to property solely by reason of community progress should be taken to defray the expense of government. In the case of public service corporations, they are granted two distinct privileges. One is the use of the streets on which to transact their business: the other, the privilege of exclusive use. The latter, a monopoly, which should be the subject of proper regulation, the former is of the same nature as that secured in the control and use of any other land, and its value is produced in exactly the same way. Deduct from the market value of the stocks and bonds of the Omaha Street Railway Co., the value of their investment in so-called tangible property, rails, cars, power houses, etc., plus the going value, which any organized business has, and you have the value of their franchise. That value is land value and that should be taxed the same as all land value. In doing this you are securing equity, for you are treating all privilege on the same basis."

"If single tax were adopted in the towns and cities and not in the country on farmland, would such a move be fair to town and city dwellers when the payment of state taxes were taken into consideration?"

General Levy for Farms.

"It would be perfectly simple to arrange that city taxes, which are the large part of all taxes in cities, should be raised from a levy made on land value only, while state taxes are at the same time raised from a general levy. This would work no injustice and I am inclined to think that the application will first be made in this way. The creation of land value by the community seems much more apparent in the city than in the country, and city dwellers are much more apt to consent to its

application than are farmers. This is doubtless largely due to the greater difficulty of reaching the scattered farmers, educationally, on the subject."

"Is single taxation as fair to owners off arms as to owners of town and city property, providing such taxation was general*"

"Certainly. This system is so fundamentally right and just in principle that it will always apply with fairness.

"It can be applied in whole or in part with proportional benefit. We are apt to think of the farmer and the farm owner as the same man and to accord to the one as of right the earnings of both. We forget that the farmer who ceases to work and moves to town, renting his farm to some-one else, is as much a capitalist as is Rockefeller, varying in degree, of course. So steadily and so surely is our present system producing tenant farmers that already in a state about fifty years old a fairly accurate estimate of Nebraska reveals now more tenant than farm owners operating farms. At that rate another fifty years ought to produce a regular feudal system. There is no avoiding it under our present system if the land retains its richness and is not completely worn out by irresponsible handling. So sure is advancing land value to consolidate holdings in the hands of fewer owners, Iowa lost 100,000 of rural population in the decade from 1900 to 1910 through no cause whatever but high priced land. Much is said about what is due the pioneers on the homesteads of our state. I honor them and would wish them rich reward, but when you consider that the increase of land value of Nebraska farms from 1900 to 1910 was alone much more than all the value which had accrued to them since time began, one can realize that the pioneer has but a small part in it.

It should, of course, be made clear that the value added to land by cultivation is labor value" and is not a part of the value it is proposed to tax."

"Is the single tax idea making any appreciable headway since first introduced by Henry George, and among what class of people?"

"New Zealand probably has as much application as any country at present, although some states of Australia have the idea in use to a

considerable extent. Most of the cities of British Columbia raise their revenue from a land tax only. A beginning has been made by Lloyd George in England and I predict that when the pressure of taxation due to the cost of the war begins to be felt in England the result will be a vast extension of the land tax. In this country it is still in the propaganda stage. Oregon and Missouri have voted on a constitutional amendment providing for it. Defeated, of course, but the votes for it revealed a very large number of adherents. Pueblo, Colo., is the only city to undertake it, adopting it last year, so that it is not yet actually in use. It is fast approaching the political stage and, it certainly behooves thinking citizens to inform themselves so that it may be supported if beneficent, or annihilated by argument if mischievous."

Will Come in Due Time.

"Will single taxation ever be general in the United States, and what effect would it have on the nation as a nation, and on both rich and poor?"

"My belief is that its application in the United States is but a matter of time. I am as sure of that as I am that what is right eventually triumphs with thinking people. I would not wish too rapid progress. I believe in laws that have the support of a large majority of the people and understanding is necessary. It is not enough to point out the wisdom of an act to have it accepted. The understanding is: slow and the strength of custom strong. There is prejudice against what is new as well as terrific opposition for selfish reasons. No one who thinks or reads these days can shut his eyes to the growing unrest, to the very evident fault in the distribution of wealth. We cannot always avoid the realization that in an age of plenty poverty is gaining on progress. Some day we must ask why. When that day comes should it not be sufficient to point out that this one labors and receives not while this one receives bounteously yet labors not.

"We are certainly drifting to the point where justice must prevail in the relations of men, or force will. Law without justice will not suffice. The great monopoly of this country is land. It matters not that it is in the hands of thousands. Millions are deprived of its use. Two things, and only two, are necessary to all production—labor and land. When

labor must pay the limit for the privilege of laboring, want will increasingly prevail and a nation's prosperity be insecure. Therefore, both rich and poor must seek justice if they would that posterity should continue its progress in this nation.

"Quoting from the closing paragraph of 'Progress and Poverty:' 'But, if while there is yet time, we turn to Justice and obey her; if we trust Liberty and follow her, the dangers that now threaten must disappear; the forces that now menace will turn to agencies of elevation.' Think of the powers now wasted; of the infinite fields of knowledge yet to be explored; of the possibilities of which the wondrous inventions of this century give us but a hint. With want destroyed; with greed changed to noble passions; with the fraternity that is born of equality taking the place of jealousy and fear, that now array men against each other: with mental power loosed by conditions that give to the humblest com-fort and leisure, and who shall measure the heights to which our civilization may soar. Words fail the thought."