

any desire "to purchase or dictate the editorial or business policy of any publication," yet questions the advisability of advertising in publications "seeking in every way to destroy business possibilities by creating conditions under which business could not thrive or exist except in a most modified degree." It further points out that it is a manufacturer's privilege to withhold advertising from such a publication. Printed in red ink over the letter is the exhortation, "advertise in constructive mediums." This letter was naturally construed as an attempt to discourage publication of articles rightly or wrongly looked upon as "destructive to business." The New York Herald construed it as designed to boycott papers supporting President Wilson's program or whose policy is "not in accord with the advertiser's economic or political views." In a letter dated June 17, addressed to the Herald, and also published in circular form, Mr. Joy denies the correctness of this construction, and explains he only referred to "destructive mediums." By this he means "any publication that misrepresents one class in order to win the plaudits of another class, or seeks to array class against class, or unwarrantably and without any basis in fact attacks the character of an upright citizen or public official."

Mr. Joy's refutation does not refute. Any attack on an existing wrong is necessarily destructive of that wrong. Upon such wrongs many predatory businesses are founded. Upholders of these wrongs, especially if they derive financial benefit therefrom, are in the habit of denouncing attacks upon them as "arraying of class against class." Protected interests have again and again so referred to free trade agitators, as also have railroad interests designated those who oppose the pending application for rate increase. Workers for various kinds of labor legislation have been denounced in the same way. Henry George, in his New York mayoralty campaign, was so referred to. The same was said of John P. Altgeld, William J. Bryan, Tom L. Johnson, Joseph Fels, Robert LaFollette, and many others who attacked predatory privilege. It was even said about Grover Cleveland for his mild remark about the "communism of pelf." Lloyd George is so denounced in England today. Mr. Joy could scarcely have had the socialistic or other radical press in mind, since these do not figure widely in such advertising circles as he can reach. While denying that he referred to the Wilson administration's policy, he neglects to say what he did have in mind. This is to be regretted, for

it would be interesting to learn what question it is that he does not want discussed.



Dodging a Proper Test.

"A 15 mills tax on a mortgage drawing six per cent interest is the same as a tax of 25 per cent upon the income derived from the mortgage," declares the Secretary of the Ohio State Board of Commerce, Mr. O. K. Shimansky, in arguing for a tax amendment. A similar argument is frequently used in favor of exemption of stocks, bonds and other intangible property. There is no denying the truth of it. But why restrict that argument to intangible property? How about a fifteen mills tax on household goods which yield no income at all? How about a tax on the personal property of a merchant or manufacturer whose business happens to be losing money? Mr. Shimansky favors a tax amendment which will make possible the exemption of intangible personal property, but which he further declares will make impossible relief of wealth producers from unjust taxation. He advocates lop-sided reform.



The justice or injustice of a tax can not be measured by the percentage of income it absorbs. A 25 per cent tax on an income is outrageously unjust if the person drawing it has honestly earned it. So is a ten per cent tax, for that matter, or a one per cent tax, or an infinitesimal fraction of a one per cent tax. But a twenty-five per cent tax on an unearned income is not unjust when the real earner of the income happens to be the public. Nor, for that matter, would a 100 per cent tax be unjust. Mr. Shimansky and his State Board of Commerce are subjecting the merits of their proposed reform to the wrong kind of test.

S. D.



Taxation in Kentucky.

Kentucky is numbered among the states in which there is dissatisfaction with the working of the general property tax. The Kentucky Tax League has issued a statement naming some of the bad results of that system. These are the same as are to be noted in other places. It does not produce sufficient revenue, encourages deception, works unequally in different parts of the State, and drives away people and capital. The league is advocating adoption of an amendment providing for classification of property for taxation. Since there does not seem to be any tricky restrictions

or conditions tacked on to this amendment, such as the Ohio State Board of Commerce is endeavoring to get through in that State, Kentucky voters will do well to adopt it.



But it would be well if the Kentucky Tax League would be somewhat more clear than it appears to be in presenting arguments in behalf of the change. Thus voters are given to understand that investment of capital will be encouraged through exemption from taxation. Says the League in its statement:

When your cow comes up to the barn to be milked do you take a club and drive her away? That is what Kentucky is virtually doing when it answers capital knocking at the door by saying "you cannot come in with your money unless you are willing to give up the better part of your earnings or hide what you have from the assessor."

That argument is sound and offers hope that under the new amendment capital will not be taxed if invested in factories, buildings, farm implements, live stock, merchandise, or other ways of employing labor and producing wealth. At any rate the new amendment, if adopted, will make such encouragement possible to industry and enterprise. But the Tax League also promises "it will eventually reduce the taxes on town lots and farming lands." If it means town lots and farming lands that have been fully improved, then it is in line with the policy of attracting capital and stimulating industry. But if it means vacant or partly used property then the change will be of no benefit to the State. Untaxed or lightly taxed vacant land can be more profitably withheld from use than used. Such a policy will not encourage productive investments. On the contrary new industries will be kept away by the high prices which untaxed speculators can and will ask for sites, and by the taxes on industry which exemption of vacant lands will necessitate. The Tax League should make these matters more clear, that voters may properly understand the best use to make of the reform when they get it.

S. D.



Prof. Bullock and Vancouver's Tax System.

Professor Charles J. Bullock of the Harvard Economics Department writes in the Boston Transcript of June 27, concerning Vancouver and its system of taxation. The Professor questions whether partial application of the Singletax principle in that city is the cause of its phenomenal growth. However, that is of no immediate importance. The fact is that Vancouver has grown

considerably under the Singletax. No skepticism as to whether Singletax caused the growth can alter the fact that it refutes all such prophecies of evil as were spread by opponents in recent campaigns in Oregon and Missouri. Professor Bullock is apparently unaware of the fact that Singletaxers not only looked for this growth but also realized that the usual results of such a growth must follow if a much greater percentage of the rental value of land were not taken for public purposes than has actually been taken in Vancouver. Writing in *The Public*, as far back as the issue of March 31, 1911, Henry George, Jr., called attention to this matter.



Some of Professor Bullock's comments are not such as one would look for from an economic expert. Thus he holds that to encourage building must cause congestion in cities, as though increase in housing accommodation can cause anything of the kind. Equally surprising is his apparent approval of the oft repeated fallacy about the alleged unfairness of taxing the owner of a vacant lot to furnish fire protection. A vacant lot does not need fire protection, neither does it need police protection nor in fact any other service that government provides. But what would happen to the value of the vacant lot, if fire protection were withdrawn from all buildings in the town in which it lies? It would certainly depreciate. What would happen to the value of such a lot should fire protection be furnished in a town where it was lacking before? It would as surely increase. The same applies to all governmental services, whether needed for preservation of the vacant lot or not. Vacant lot owners are benefited as much financially as are owners of improved property by all improvements in government. Professor Bullock, in discussing the matter, seems to have allowed some principles of the science which he teaches, to temporarily slip his mind. S. D.



Raymond Robins' Candidacy.

The announcement that Raymond Robins will be a candidate for the Illinois Progressive party nomination for United States Senator is good news. It offers that party as good an opportunity as the candidacy of John Z. White offers to the Democratic party. It should serve as a warning to Democratic politicians against the nomination of Roger Sullivan or any other opponent of democracy. What is more important, it assures democratic voters, that, whatever may be the re-