

Perhaps it is a natural feeling for human beings to "let George do it" or to think because they know the thing desired is a good thing and therefore needs no advertising. If that is the reason that so few Single Taxers are ever found doing anything for Single Tax let me ask them to get such an idea out of their heads. Single Tax can only be brought into human use in two ways, by the peaceful democratic method of education and the use of the ballot, or as a friend of mine lately wrote me, will "come as the outcome of the most terrible and bloody revolution the world has ever experienced."

Which of these two ways is preferable? It seems to me, that I am not too bold in asking Single Taxers who have not been doing anything for Single Tax to come out and do something for it. I would also ask those who "believe in the principles of Henry George" to cease voting against Single Tax by voting the old party tickets.

Why I write thus at this time, is because of the peculiar situation in England where a general election is taking place. If the Commonwealth Land Party over there puts candidates in the field, many "believers in the principles of Henry George" are going to work against these candidates.

If this kind of voting insanity keeps up, I will not quit working for the government-taking-the-entire-economic-rent-of-land Single Tax. That would be performing an impossibility—barring accidents to my bodily and mental facilities, but we might as well "turn out the lights and go home," get into our beds of ease and slumber on, until the "most terrible and bloody revolution awakens us to action."

I am disgusted. In this State of Maryland, I am informed by one who ought to know, that there is not to his knowledge a single other person in the State that is in favor of Single Tax and willing to vote for it—at least while the other parties have tickets in the field. Were the Single Tax Party the only party with candidates on the ballot, I suppose they would even then refuse to vote for them because of the trouble involved. Let me repeat I am disgusted.  
Centerville, Md. OLIVER MCKNIGHT.

#### NATURAL RESOURCES AND THE LAW OF RENT.

##### EDITOR SINGLE TAX REVIEW:

However strenuously one may differ with Mr. Cecil St. John in his conclusions, your readers should feel indebted to him for having raised the question indicated by the heading, as the effort to grapple with such aspects of the problem makes for clarity of thought and vision. The division of the term "Rent" into the two categories "plain" and "economic," as representing on the one hand the payments for the use of portions of the earth's surface on which to live and work and in which the time-element is the measure of value; and on the other, the prices paid for portions of Nature's wealth-accumulations in the appropriation of which time may be of little importance, appeals, it must be confessed, to the imagination as exceedingly plausible and as likely to work out to startling consequences. Nevertheless, a lurking sense of instability in the argument prevents me from accepting it or admitting that "it goes to the very foundation of economic science."

In the first place, it runs counter to an instinctive tendency towards simplification or the reduction of categories, which has been felt and amply justified in recent developments in philosophy, science, religion, and also economics; and it is not without significance that it is becoming more and more easy as human relationships become better understood, to group all natural values whether of immediate realizable utilities, or potential fertility, or mere standing-room, under the one term of site-value or value of location. The pragmatic value of such a simplification is so obvious that I must stand by it until further argument is forthcoming.

It appears to me as though Mr. St. John has reached his conclusions through what I may be pardoned for calling an unwarrantable use of the time element as a factor in his argument. Bergson and Einstein have familiarized us with the conception of Time as a measure of intensity rather than as an evenly-flowing stream composed of successive moments of equal measurement. It is with quantities or volumes of

human effort we have to do in relation to the "using" or utilizing of natural resources; and clock-time must only be taken as a rough and ready method, varying as human ingenuity varies, for calculating those qualities. To adopt Mr. St. John's own simile, there is a vast difference between emptying a granary with a teaspoon and in using a steam-shovel, but that difference is measurable in terms of effort, and time, and it seems to me, need not enter into the calculus. The problem of economics as a humane science surely is to conceive of the world as a concatenation of opportunities on which man may labor to satisfy his wants; to ear-mark clearly those opportunities that are more advantageous than that enjoyed by the last man to arrive; and by taxing the "differential," to average the total advantages among all men. Now, what in the last analysis constitutes the advantage of one position over another? Surely it is just this, that with less labor (measured either in time or intensity) he can get the same or better results? For this advantage, whether it be in the keeping of a store, the manufacturing of shoes or the digging of minerals, he who is to enjoy it will willingly pay, and his payment will always be called rent. For purpose of residence or for convenience in trading he may engage to pay a yearly rental sum for a specified time, or he may compromise by paying a lump sum. But if for any reason, say that he wants to dig minerals and with modern appliances sees his way to a quick exhaustion of the natural wealth-accumulation, he wants occupancy for only a year, or six months or three months, the payment will be fixed in view of that consideration but will still rightly be called rent as coming under the same general principles, i.e., a payment for the use of a specially advantageous situation.

Now why should the term "Rent" be inapplicable in such a case where payment is made for the use of a piece of land for a year, a month or a day, simply because no second tenancy need be expected, the "substance" having been removed?, and which circumstances was foreseen by the lessor and taken account of in fixing the amount to be paid. Rent is what land is worth for use; what some one will give for permission to produce; and does not hinge upon the question of whether it will continue to command a rental in the immediate future. But why do we speak of economic rent at all while we think of land problems always in terms of selling values? It is surely because of the exigencies of collective or civic life which is lived "in time," and must be supported by daily, monthly or yearly payments. We instinctively translate selling values into time values by way of estimating the day-to-day advantage accruing to their owners, and which as we think, ought to accrue to society. It may be then, that Mr. St. John is right in suggesting that the term "Economic Rent" might be wisely discontinued, and "land value" alone used as the subject term for taxation reform. I submit, however, that he has not adequately supported his four propositions (a), (b), (c) and (d), nor shown reason why site values in cities and mineral and timber values in the remotest corners of the industrial world are not equally amenable to the principle of ascertaining their selling or market values and imposing a tax thereon, the proper limit of which would be determined by their relation to the margin of cultivation. I indulge the hope of reading something more from Mr. St. John's pen on this interesting subject.  
Glasgow, Scotland

ALEX MACKENDRICK.

#### DIFFERS WITH MR. ST. JOHN.

##### EDITOR SINGLE TAX REVIEW:

I note Mr. St. John's article in which he claims that Henry George has caused much confusion by a loose interpretation of the term "rent," and he concludes that the Ricardian Law of Rent must be repealed as a necessary first step in the restoration of order.

After a careful examination of Mr. St. John's argument I believe that such repeal is wholly unnecessary, and that we may therefore look forward to the retention of this law and all that it implies for yet some time to come.

As Mr. St. John points out, it is true that a site on the surface continues permanent, practically at least, and that a coal deposit below

the surface decreases in actual quantity as it is worked and it may become finally exhausted. Even so, the Law of Rent still holds for both cases, that is, the rental value of the natural resources for any particular period of time is determined by the demand of people for the use of it.

A surface site is worth for the coming year how much? This rental value is determined by the fact that the lessor and the lessee consider all the factors involved each from his own point of view, and they come to terms of agreement. The same thing applies to coal deposit. Both parties, the owner of the coal and the party who is to mine it, carefully consider the elements involved and come to terms. The coal may be out of sight and its extent, vein thickness and quality only roughly guessed, but yet the deposit has a value, and this value, too, it may be said, can be and is determined without the necessity of a sale.

For the next year, the rental value of the surface site or of the deposit beneath may be more or less, and is determined accordingly.

Just as Mr. St. John states, the rental value of a surface site "is necessarily fixed with regard to the possibilities of use for a period or periods of time," but this applies just as truly to a coal or other mineral deposit below the surface.

Therefore mines are a proper subject for taxation, the economic rent for their uses exists, and "may be taken by periodic taxation," all in accordance with Ricardo's Law and the teachings of George.

Mr. John's granary illustration does not apply. Rent (or interest) is always charged for something that is to be used but which is returnable. Hence rent, or that is, interest, may be charged for the use of the granary. The wheat, however, it is presumed will be used directly for consumption, and hence, is not rented but is sold outright.

In the field of music it has been said that technique consists in playing the simplest pieces with the utmost difficulty. In the field of economics why should we not hold to the simple elementary principles when they are sufficient for the purpose in hand? By reasoning too deeply we are apt to stray afield and find ourselves urging the repeal of Ricardo's Law of Rent, which is merely a logical recognition of the fact that human beings are human and seek to satisfy their desires with the least exertion.

The law itself is sound and does have "all the self evident character of a geometric axiom," but it operates unjustly so long as we tolerate the private appropriation of ground rent. If we simply throw the switch, and establish a public appropriation of ground rent, then Ricardo's Law operates justly, the Golden Rule is actually applied, and Christianity is at last in operation.

Erie, Pa.

JAMES B. ELLERY.

#### A SUGGESTED ANALOGY.

EDITOR SINGLE TAX REVIEW:

A most effective minority of the inhabitants of the earth want to know what kind of a world they live in. Out of a population of 20,000 only one person seems to be interested in geology and astronomy. I do not suppose that more than one person here knows that the fine red star that rises in the evening is Betelgeuse, about which so much has been said and written. Lots of those here have studied these things in college.

From which I pass naturally to this consideration. When Single Taxers who have money will advertise in farm journals and tell about Single Tax and make these "ads" as attractive as Coles Phillips pictures, and as clear and sensible as the Prophylactic Tooth Brush, Mr. George's greatest benefaction to mankind will be understood.

I like the REVIEW very much.

Rome, Ga.

T. COLEGATE.

#### NOT ACCURATE AS TO FACT

EDITOR SINGLE TAX REVIEW:

My attention has been drawn to a reference in current number of your paper in which a Mr. R. L. Outhwaite has stated that Mr. Smillie won the Mospeth By-election because of his stand as a "Land Restor-

ationist." I wish to state most emphatically that this is untrue. From beginning to end of the campaign, Smillie did not mention the word "land," although many advocates of the Taxation of Land Values (including myself) did their best to draw him on the question.

I assume the silence of the erstwhile champion of Land Reform to be due to the invidious position of the party of which he is a member.

Some months ago, in the *Fabian News*, the Chairman of the Labor Party (Mr. Sidney Webb) stated that "the Labor Party had no Land Policy today." On March 20th, 1923 Mr Philip Snowden was put up to introduce a Land Nationalization Bill, under which the present land owners were to receive compensation in the form of 5% Land Bonds for 30 years. Mr. Outhwaite and his friends then commenced a campaign against the Bill, and Mr. Outhwaite himself stated (at Gateshead) that the Bill meant that the workers would have to pay many millions to the Duke of Northumberland for his mines and royalties.

In the midst of this Socialistic Civil War, came the Morpeth By-election, and, owing to the fact that all the principal actors in the farce were members of the I. L. P., curiosity was aroused as to whether Smillie would declare for the Outhwaite or the Snowden policy. Like a good Socialist, he did neither, and chose to discuss the drab and dreary days of his childhood, rather than the vital and pressing problem of freeing the land.

Mr. Outhwaite, who, I understand, is an Australian, was not present during the contest, and he would be well advised to make himself fully acquainted with the political problems of the country of his adoption, instead of giving vent to wild statements which have no relationship to facts.

Late Liberal Candidate Yarrow on Tyne.

E. J. YOUNG.

#### REPLY

Mr. Young's bias is disclosed in his reference to "a Mr. R. L. Outhwaite." As the latter is known throughout the United Kingdom the use of the indefinite article is an illicit intrusion.

So far from Mr. Smillie's not mentioning the word "land," in his very first speech of the campaign printed in the *Newcastle Chronicle*, he devoted a large part of the time in telling the electors that so long as land was privately owned there would always be war, poverty and unemployment." Correspondence confirms that on every occasion Smillie dealt with the land and demanded in unqualified terms its immediate restoration.

There are few men in England who can bring home to an audience in plain and simple language the evils of landlordism with such conviction as this rough Scottish miner, who when he is attacked, as he frequently is, by the organs of vested interests, is always pilloried for his views on the land question.

That Smillie may not have gone into details is entirely probable for it is to be remembered that he stood as an official Labor Party candidate just after the introduction of Snowden's Compensation Bill. In view of that fact his references to compensation have an added significance.

—EDITOR SINGLE TAX REVIEW.

#### COAL DEPOSITS

EDITOR SINGLE TAX REVIEW:

In connection with the new discussion raised by Mr. St. John.

Our store of coal is simply inexhaustible. With taxes on production abolished and rent collected in lieu thereof monopoly of coal lands would melt away.

With surface employment at high wages competing for workers I think those who would go under-ground for coal could demand pay so large that it would not only eat up all chances for the land owner getting a royalty but that their pay would also eat up the chances for collecting a land value tax on coal deposits.

Within four city blocks of where I write is a mine of fair to poor quality of coal. It has no railroad connection. It pays a very small