

The Single Tax Will Work

AT the banquet session of the annual conference it was a pleasure to hear from two speakers, Don Shoemaker, editor of The Miami Herald, one of the country's leading newspapers; and Claude W. Arnold, vice president of the Fairhope Single Tax Corporation.

Don Shoemaker said he felt at home with us because he was brought up on Henry George who had been part of his life. He recalled "a little party" 18 years ago in New York when Anna George de Mille's book, *Henry George: Citizen of the World*, made its appearance. Mr. Shoemaker, who was then editor of the Asheville (N.C.) Citizen, edited her book and it was published by the University of North Carolina Press. Anna George was his aunt, he being the grandson of Chloe, a sister of Henry George.

Referring to a paper written by a graduate student on revision of the property tax, Mr. Shoemaker quoted several portions. This paper cited many authoritative works with which HGN readers are familiar, such as the House & Home round table discussion and research monographs by the Urban Tax Institute. In one of these, Jerome P. Pickard speaks of three principal avenues for modifying the form of collecting property taxes and reported that the first, a tax on land only, "raises the ghost of Henry George," and is the one most widely proposed.

While the Miami editor does not believe George's ideas are triumphing completely or even partly at this time, he thinks one of his principles, free trade, may be coming to the forefront. In Henry George's time Great Britain was the only country favoring free trade but we have seen this reversed. In such movements as the European and Central American common markets and the Organization of African Unity, the tariffs are under consideration.

He sees the principle of free trade under attack as the country drifts back to some form of nationalism and believes we are playing with dynamite if the U.S. adopts protectionism, since every literate economist has warned against it. It all began with Henry George and his prophesies. Let us defend the principle of free trade, urged Mr. Shoemaker, because it is the very basis of freedom.

For the first time at a school conference, a report on the history of the much discussed Fairhope colony was presented by its vice president and HGS director. Unfortunately, owing to space limitations, the text has been reduced to this brief excerpt from Claude W. Arnold's address:

A considerable amount of doubt has been expressed as to whether a single tax will work. I am here to tell you that Henry George's proposal will work. It has worked for over 70 years at Fairhope, Alabama, where we collect the full rental value of land. It is working today. It will still be working 70 years from now if we in the United States of America defeat the communist threat and preserve the American Constitution.

Fairhope was born in 1894. It was first an idea in the heads and hearts of a few men in Des Moines, Iowa. They had to select a name and what better one could they have found than Fairhope for a town where the truths that Henry George had tried to make clear would be put into practice?

The eastern shore of Mobile Bay in Baldwin County was selected as the site and a round-up date was set for November 15, 1894. This was a time when planning of colonies, communities and co-operative villages was "in," but these fellows had really gone way out—they were for the single tax. The basic purpose of the Fairhope colony

was to conduct a laboratory experiment to test this principle and to educate the public to demand local option in taxation. In spite of various side excursions, the original purpose has been adhered to successfully.

Paul Alyea in his book, *Fairhope*, describes socialistic aspects in the original constitution of the association as having been a continuing hindrance. Some of the early plans were, indeed, socialistic and as a result Henry George was (reportedly) quite opposed to the Fairhope colony idea and would not endorse it. His position was that the inclusion of such features would inevitably result in the failure of the colony and that the single tax, not socialism, would be blamed for the failure. It is interesting to note that not a single one of these aspects has survived, and the Fairhope Single Tax Corporation grew stronger as each of the socialist schemes was dropped.

The 25 original settlers arrived practically without finances, and physically unfit for agrarian wilderness life. The land in the area was all sub-marginal and that available to Fairhope settlers was sub-sub-marginal. Water transportation was their only trade route and even this was restricted by a bluff 100 feet high which separated them from the bay front; then it was 2600 feet further out to deep water.

Imagine the high purpose, the determined courage, and the sense of

destiny and spiritual power that enabled this little band to carry out their task when material strength and support were totally inadequate.

They bought 132 acres at the then wildly inflated price of \$6 an acre, and set up housekeeping in a covered wagon while they started building homes. Because of meager funds they bought very little land thinking they could buy more later. They did succeed in buying country land at \$1.25 an acre, but acreage adjacent to the town was largely held for speculation and they were able to add only a few small tracts at rather high prices. The colony has not grown in area therefore, because additional land cannot be acquired.

Fairhope has collected ground rent annually for over 70 years. Within Baldwin County it is exceeded in size only by the county seat. Fairhope is not on a major highway and the only discernible difference that can be found is the single tax. The corporation collects rent from its members and pays their taxes. They are then able to refund all taxes except those on gasoline and income, showing that the single tax could finance all the legitimate forms of taxes.

Yes, it will work, and people will realize it if you can get anybody to come and see it. Only a few years ago where there was an indifferent cow pasture Fairhope is now the most thriving village on the coast.

