

September—October, 1937

Land and Freedom

FORMERLY THE SINGLE TAX REVIEW

An International Record of Single Tax Progress Founded in 1901

No Taxes

Frederic Cyrus Leubuscher

The Difficulties of Democracy

Joseph Dana Miller, in *International Journal of Ethics*, London, England

Causerie

Thomas N. Ashton

The Henry George School—Watch How It Grows

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LAND AND FREEDOM

An International Bi-Monthly Magazine of Single Tax Progress

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WHAT LAND AND FREEDOM STANDS FOR

Taking the full rent of land for public purposes insures the fullest and best use of all land. In cities this would mean more homes and more places to do business and therefore lower rents. In rural communities it would mean the freedom of the farmer from land mortgages and would guarantee him full possession of his entire product at a small land rental to the government without the payment of any taxes. It would prevent the holding of mines idle for the purpose of monopoly and would immensely increase the production and therefore greatly lower the price of mine products.

Land can be used only by the employment of labor. Putting land to its fullest and best use would create an unlimited demand for labor. With an unlimited demand for labor, the job would seek the man, not the man seek the job, and labor would receive its full share of the product.

The freeing from taxation of all buildings, machinery, implements and improvements on land, all industry, thrift and enterprise, all wages, salaries, incomes and every product of labor and intellect, will encourage men to build and to produce, will reward them for their efforts to improve the land, to produce wealth and to render the services that the people need, instead of penalizing them for these efforts as taxation does now.

It will put an end to legalized robbery by the government which now pries into men's private affairs and exacts fines and penalties in the shape of tolls and taxes on every evidence of man's industry and thrift.

All labor and industry depend basically on land, and only in the measure that land is attainable can labor and industry be prosperous. The taking of the full Rent of Land for public purposes would put and keep all land forever in use to the fullest extent of the people's needs, and so would insure real and permanent prosperity for all.

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Comment and Reflection

THE appearance of the life of Dr. Edward McGlynn by Stephen Bell tempts us to a brief glance over the years in which the church as an institution has grown from its humble beginnings. At no time did the church appeal to the hearts of the people more effectively than when it spoke in the language of Christ to the disinherited. Its most glorious traditions center around its early history in Rome, the ministrations in Ireland of its "Soggarth Aroons" (the beloved priests) and the heroism of its missionaries. Everywhere its most potent appeal has been, not to the imposing character of the church as an institution, but through the work of its humble and sainted martyrs who have glorified its mission, and among these the name of Edward McGlynn is not the least.

IN the reign of Augustus, in an obscure corner of the world, of a race of peasants and fishermen held in subjection by a race of conquerors, the man Jesus was born. The religion of Rome would not have served the purpose of Jesus, for it was essentially aristocratic and purely a state religion. It was a religion which had bred a callous indifference to human suffering and human misery, and it excused injustice because its ideal worship was strength. Such a religion was entirely unsuited in its mere formal ritual, in its cold deification of abstract virtues, to the dawn of liberty, to the time when the Roman yoke was becoming more and more intolerable to the whole world. The religion of Pagan Rome was perfunctory, and religious or spiritual enthusiasm and exaltation were expressly condemned.

EXCEPT among the philosophers there was no ethical religion, and to the state religion the great masses of the Roman people were unattached. To the nobles and patricians the state religion was a convenience merely, since it justified the assumption by them of the most extraordinary privileges, and for their emperors the positive deification as gods. It was not this kind of religion that was to arouse a spirit to sweep away a rotting civilization. There was nothing in it to induce the masses of men to make common cause, and there was everything in it to perpetuate the separation of classes which the unequal distribution of wealth had created.

ON the other hand this new religion spoke in a new tongue, but not in unwelcome accents. Fragmentary as are the words of Christ, repeated to his disciples and orally reported, must have been, in which the new and unfamiliar conception of an All Loving Father who welcomed to his kingdom poor as well as rich was given to the world, these glad tidings were eagerly grasped and formulated into principles for life and conduct. It mattered not how the doctors and philosophers of the new faith wrestled with the more esoteric parts of the creed; that which the masses grasped, which was the real strength of the new religion, was the brotherhood. It told its beautiful story, not to Roman Prætor, but to foreign slave; it whispered its words of emancipation to the helot aching over his task; to the galley slave bending to the oar. It disappointed the aspiring Jew, who dreamed that Israel might play again the part she had once played in the drama of nations—that she should be another greater and grander Rome. But the new spirit breathed the language of peace; the conquering of self was declared to be a greater victory than the conquering of a city. It was said to be the kingdom of heaven that had come, and its leader was the Prince of Peace.

IT was its passionate charity, its benignant justice, which in the beginning had overthrown the Pagan temples, that constituted the real strength of Christianity. The meek and the poor should inherit the earth and a sweet assurance was borne to the hearts of the disinherited. The moral conscience of the world was already in revolt against the tyrannies and barbarities of Rome, against the more revolting cruelties of slavery, against Pagan gods who possessed every quality but compassion.

IN the more obscure corners of Rome the real founders of Christianity, or the earliest names identified with her history, resided in dwellings of misery, amid the hawkers of trifles in localities which must have closely corresponded to the tenement wards of our great cities. Here lived Aquilla and his wife Priscilla when the church was without prelates, when her chief apostles were tramps and vagabonds—human oxen of commerce, who along the quays of Rome, amid casks and bundles of ill-smelling merchandise, first heard the name of Jesus.

THE new faith taught gentleness and humanity, and for a time the heart of the whole world that was addressed beat true. In the very mode of its acceptance the inner core of the new faith was revealed. It found favor in the eyes of the poor Jew and the Assyrian, but in the free Greek, when he accepted it, was aroused a mere languid acquiescence. To Asia and Syria, accustomed to subjection, it spread like prairie fire. It found a lodgment in Rome itself, largely because the Roman people were sunk in poverty and misery, but to the Roman patrician it was "an odious superstition." It was the selfishness of the Pagan religion which destroyed that religion; that which replaced it was in its inception at least the very negation of self.

BUT the vision of Jesus receded as the friends and defenders of privilege sought for its perpetuation the alliance of the ermined and sceptered followers of the companion of fishermen. When Rome became Christian she was still Rome. It is true of all creeds that they are purest in revolt; it is true of all creeds that institutionalism weakens their essential strength. In the new faith of Christianity lived the spirit of old Rome. It was from Rome—geographically the heart of the faith—that she propagated the doctrine in its first stages through all her conquered provinces. The old vessels of the Roman empire were filled with the new wine. The channels of the old conquests became the channels of the new. The imperial dream, which the Master, with a divine gentleness, had put aside, became the ambition and aim of his later disciples. It put itself above nationalities but sought to gather to itself all the springs of power.

THE Church taught contempt of the world, while in her inmost heart she pined with a greedy sickness for dominion. She emasculated her worshippers while she grew big with power, and her grip tightened upon thrones while she taught ascetism to her followers. It is little wonder that Compté, observing this, should have superficially concluded that religion was the invention of priests and politicians. For never was there a mode of power so easy to the astute and designing; and never was there a superstructure so surely founded as this, which had dominion for its motive, superstition for its method, and oh—, saddest of all!—love for its base. The dream of the enfranchisement of man was wrought again upon the anvil of the church to be the instrument of destruction for the ignorant and the poor.

GRADUALLY the spirit of hierarchy—the real spirit of old Rome—began to manifest itself. At the precise juncture when apparently the church was the strongest the seeds of weakness had been introduced. Nor is it an accident that the forces of Christian sacerdotalism gravitated toward Rome, for it sought to accomplish

by subtler measures what Rome had wrought by force of arms. Rome's conception of government at bottom was civil, not religious. But the new power claimed temporal supremacy by virtue of celestial authority. It used its power just as Rome had used hers. It substituted a vital, passionate form of power for a cold and empty one which could not outlive its triumphs in the field. The claim of one was a stubble to the fire of the other. For Rome and her eagles it set up the standard of Christ and his bishops. Its decrees were imperial; it recognized no civil assumptions not sanctioned by the ecclesiastics. It began its conflict for universal power with a dream that dwarfed Rome's. It wrested the spiritual idealism of Christ to the service of empire, and it defaced the image of Christ that it might substitute for a creed of the purest freedom and equality, one of privilege, of the insignificance of the laity, of priestly supremacy and social inequality. And the contrast grew and deepened with the material progress of the church. The revolts against this tendency were at all times active but they were everywhere crushed by a militant hierarchy.

WHATEVER Christ was he was a man. Whatever else he may serve for, he offered us a practical ideal. Whatever he claimed to be or whatever others claim for him, his conception of life and conduct, and the adaptation of his actions to his theory of life have relation to the purely practical affairs of today. Whatever view we take of him the splendid mystery of the life of the Nazarene is the same. The lesson is the principal thing; the life is the all in all. He did not say, "I am the doctrine," but he did say "I am the way." He did not build temples of worship, but he went out into the cities and the fields and told the story of the Fatherhood. And the common people heard him gladly. Well might the Frankish king, when solicited by his Christian wife to confess Christ, answer with a sneer, "Your god is not even of divine descent—he is a mere plebian."

THE church may wield a mighty power when it decides to enthrone the plebian Christ. When she does she will not lack adherents. Here and there in her history such times have been, and men have arisen at whose words humanity rose up and girded itself with a strength which, when summoned, the forces of evil, of injustice, of oppression, may in vain assail. Whitfield among the colliers thunders his message, and down cheeks blackened with coal dust from the mines unwonted tears are seen to run. In our day a McGlynn, clinging to the vows of his priesthood and jealous of the canons of his church, appears, and under the inspiration of a mighty impulse Catholic audiences cheer the reading of the Lord's Prayer by an excommunicated priest. Or a Father Damien gives his life for the lepers, and the whole world bows its head and princes make memorials for him. Or in other

fields a Father Huntington casts his life with the moral lepers of a great city, and men speak lovingly of him as of one who is indeed doing the Master's work.

SOMETIMES we speak of the doctrines we hold as a science—the science of political economy. And so it is. But it is more than that. It is an ethical and religious message. It is upheld, in essence at least, by many eminent churchmen of the past, teachers and saints of the Roman Catholic faith. It has been declared by the very highest authority as not contrary to Catholic doctrine. The Fatherhood of God carries with it the Brotherhood of Man and the right of all men to God's bounties. The message of Dr. McGlynn is a message for today.

No Taxes

BY FREDERIC CYRUS LEUBUSCHER

I WENT into a store in New York City to buy a deck of playing cards. When I objected to paying twenty cents, the salesman said they could be sold for a profit at ten cents were it not for the federal tax of ten cents. I handed him two dimes. Instead of the usual "thank you," he said, "One cent more please for the New York City sales tax; any sale of thirteen cents or over must pay 2 per cent tax."

"So, if there had been no federal tax on cards, there would be no sales tax?" "That's about the size of it; the cent is a 10 per cent tax on a tax." "It is worse than that," I retorted. "If we had time to figure the share of the tax on the wood pulp, on the paper-making, building and machinery, on the printing press and the building in which it is housed, on the oil for the machinery and the ink for the press, on the railroad cars and trucks from the forest to the store, on—oh many other taxes which will occur to you; if, I say, you apportion all these taxes, you may find that the direct tax on this deck of cards is perhaps fifteen cents. Did you notice I said 'direct.' There is also an indirect tax—the tariff on wood pulp, on building materials, on machinery, on cars, on trucks, etc., the effect of which on the price of these fifty-two cards would compel a statistician to burn the midnight electric juice, which is also taxed."

Feeling that I had taken too much of the salesman's time in a purchase in which the store might make only a few cents gross profit, I ordered two packs of standard cigarettes at twenty-five cents. Of course the sales tax was added. The salesman, who seemed to be as much interested in the discussion as I, said that the United States tax was again half the price, and traced the other taxes as I had done with the cards, arriving at much the same result. He ended up with, "I never realized before how much we are taxed on everything; three-fourths of the price must be taxes." I assured him that it was

not quite as bad as that, on the average. While there are no accurate statistics, economists estimate that the taxes on industry of the federal, state and local governments take from one-fifth to one-third of the national income, or at least twelve to fifteen billions a year.

Every dollar of this is added to the price. And more too. If a given article costs one dollar to make, the manufacturer adds twenty-five cents to cover his overhead including a small profit. With a tax of twenty cents his costs increase to \$1.20. Adding his 25 per cent, he charges the wholesaler \$1.50 instead of \$1.25, thus adding five cents profit on the tax. The wholesaler in his turn adds profit on a profit on the tax, and the retailer in self defense adds a profit on a profit on a profit on the tax. The consumer pays them all.

The mere fact that one hundred thirty million people still eat, wear clothes and live in houses proves that there is consumption enough to furnish the various governments with revenue, even though it has to be eked out with borrowings. Not all the one hundred thirty millions; for twenty millions of them would be in rags, sleep in the streets and starve were it not for the taxes paid by the one hundred ten millions. While playing cards and cigarettes are luxuries, no direct taxes of 100 per cent are levied on necessities. Even so, they are all taxed. *The Manufacturers Record* states that a loaf of bread pays seventeen taxes and shoes twenty-three. Empty stomachs and bare feet are the result.

However, with a fifth to a third of their incomes going to tax-eaters, the one hundred ten million themselves eat less, buy fewer clothes, build fewer houses, rent fewer apartments and cut out many amusements. The results: Farmers can't sell all their crops, many factories shut down, some thousands of banks fail, millions lose jobs—the depression. Everybody damns the taxes. Mark Twain said, "Everybody complains about the weather but nobody does anything about it." But there are a few—and their number is increasing daily—who assert this crushing deadly burden of taxes is utterly unnecessary and that government can be efficiently administered without levying one cent of tax.

But who will pay the bills? Why the one hundred thirty millions, with the publicly created revenues of their own property, just as you and I pay our bills. These "voices crying in a wilderness" who make this startling claim, base it on fundamental economics. The land of this country, they say, with what we know as natural resources, was given to its inhabitants by their Creator at the time he gave them the atmosphere; they say that man is a land animal and would languish if denied access to land as surely as he would suffocate if denied access to air. Land and natural resources are generally lumped with food and factory products as property. Indeed, when we say, "He is a man of property," we usually mean he is a landowner. But these thinkers maintain

that there is a difference between natural resources and things produced; and to bolster up their claim they quote such well known names as Blackstone, Adam Smith, Thomas Jefferson, Thomas Paine, Abraham Lincoln, Herbert Spencer, Henry George, Helen Keller, Dan Beard, Hamilton Holt, George Foster Peabody, William E. Dodge, and Tolstoy. Wealth is produced in only one way, by the application of labor to land; and in the degree that we are denied access to land and natural resources will the wealth be lessened.

Some of these men and women even go so far as to claim that depressions and poverty are directly caused by the institution of land monopoly, viz. monopoly of natural resources. About twenty-five years ago I heard the eloquent Raymond Robbins illustrate this point from his experience in the nineties while mining in the Klondike. Two of the great army of the Klondike who flocked to Alaska returned from the hills to Nome, broke and discouraged. They wandered to the beach and, preparing to lie down, one of them threw over his miner's pick which turned up some sand showing a glint of gold. He automatically panned it out and he and his companion spent the rest of the day in panning. Nightfall showed that they had made about ten dollars each. The news spread to the settlement where hundreds like them had returned empty-handed, and where wages had gone down to a bare subsistence and the unemployed were being fed in "soup houses." Soon not only the "soup houses" were no longer needed but any of those getting under ten dollars a day left their jobs or were induced to remain and be paid the same wages that the beach offered. But after a while the property owners whose land abutted on the beach claimed it, and the authorities reluctantly ordered the workers off. Shortly the "soup houses" again flourished until the matter was adjudicated and the beach declared public property. From that time and until the gold was all taken out good wages and full employment prevailed.

To many city people the word "land" connotes the farmer or the miner. They do not realize that the most valuable land in the world is right under their feet. The land of New York City is assessed at eight billions and even in this depression is said to have a market value of almost ten billions. There are no accurate statistics of the value of all the land and natural resources of the United States. They are estimated to be from one hundred twenty-five to two hundred billions. It is probably safe to put them at one hundred fifty billions.

Now what is the remedy? The Socialists say, "Nationalize the land." But not so the eminent men and women whose names I have mentioned, for they are all individualists—the very antithesis of socialism. They all believe in the private ownership of land *so long as it is occupied or used and the ground rent is paid in lieu of taxes.*

But all of them share in the plan which it is claimed

will not only give back the use of the land to the people but, by so doing, gradually abolish taxes, increasing production and so abolishing poverty. Briefly stated, their claim is this: "The mere coming together of people to form communities automatically results in the creation of land values, which should properly be called public or *people values*. The same area of land as that in New York City which is worth nearly ten billions because of the presence and activities of nearly eight million people, would, say, in the Rocky Mountains, one hundred miles from the nearest habitation, not be worth ten cents. If a man in that city makes a coat or a pair of shoes, if he writes a song or a book, these things belong to him absolutely. So, just because these eight million people by living and working and exchanging their products with each other create land values, these are public values and belong to New York City as much as the coat, the shoes, the song and the book belong to the individuals or group producing them. They also insist that this enhancement of value pertains only to land and not to commodities, so that, for instance, roast beef does not cost any more in a big city than it does in a village.

Now, the inhabitants of New York City owning all these billions ought to utilize them for community purposes. Instead, they annually give up about a half billion dollars of their individual production in the shape of taxes on buildings, mortgages, merchandise, sales, etc., in order to run their government. In a dim way they sometimes recognize their folly. Fifteen years ago, when there was a shortage of dwellings, they passed a law exempting new buildings from taxation for ten years, if erected within three years. A building boom resulted.

The argument proceeds. Suppose Father Knickerbocker should wake up. What should he do with his billions? What economists call the law of rent answers this question. Every lot in this great city has an annual value commonly known as ground rent, the amount varying with the capital value of each lot. All real estate according to law is assessed every year on the basis of its "true" value, both land values and improvement values. With the tax rate of \$2.75 per hundred, about four hundred million dollars are collected, and of this only two hundred millions are ground rent. It is estimated that the annual ground rent of New York City is about eight hundred millions, and therefore only one quarter is taken in taxation. The city balances its budget as far as possible by taxing improvements, mortgages, sales, licenses, etc. Why not take all the ground rent in lieu of all this taxation? There would be surplus enough for state and federal expenses.

Perhaps, if Father Knickerbocker decided to pay his bills with his own public values instead of taxing his eight million fellow citizens, his Uncle Sam might wake up too. Using the many billions of ground rent that are now paid every year to a few hundred thousand of

his one hundred thirty million nephews and nieces, he could repeal all the myriad laws imposing taxes, including excise, income, estate and even the sacred tariff. Of course this vast sum might not suffice to pay farmers bonuses for destroying food while millions are starving, nor would it allow boon-doggling. But it would be more than enough for all legitimate functions of government, national, state and local.

This simple change advocated by those named above would do away with the load of oppressive burdens now borne by industry. A story is told of a drunken farmer who was fined ten dollars for "painting the town red." But when he painted his barn red the assessor added ten dollars to his tax bill, thus fining him *not once*, but every recurring year.

The people who advocate this plan for abolishing poverty are practical men and women. They recognize the inertia of the masses and that it is no easy task to overthrow a system hoary with age. Taxes can be gradually repealed and replaced by the collection of more and more of the people's ground rent. While the little Kingdom of Denmark still levies some taxes it collects a larger proportion of its ground rent than any other country; and today, with practically no unemployment, the Danes are the most prosperous people on earth. A beginning has been made in the United States. Some years ago the City of Pittsburgh, Pa., adopted the policy of increasing its land taxes 5 per cent a year more than its building taxes until now the rate of taxation on buildings is only half the rate on land values. The result? More building permits are issued in that city, in proportion to the population, than in any other city in our country. And new buildings mean the employment of labor and capital in the manufacture of building materials and in construction. The earnings of the workers are spent at the "butcher, the baker and the candlestick maker," and everybody in that city benefits.

In a small way the plan is being tried in Sydney, Australia, and in New Zealand, but cannot have lasting results until at least building and improvement taxes are entirely repealed. This has been done in the Village of Milk River in Alberta, Canada. Its budget is only \$2,500, but it levies no taxes and collects \$4,500 entirely from ground rent; and at that it does not take the entire ground rent. Only this February the people of Milk River voted 3 to 1 against the proposition to change the system by taking even less of the ground rent *in order to get rid of the surplus*.

Worse than the mania for stock speculation is the mania for land speculation and with even more disastrous results to the whole people. After all, Wall Street gambling is only betting whether shares go up or down. Land gambling is betting on the fundamentals of human life. And men and women who picture Wall Street as the abyss of hell, do not hesitate to buy building lots in the hope

of reaping an unearned increment without working. This April a multi-millionaire, member of a great industrial family, wrote me: "The difference between lottery tickets and land speculation is that holders of the former know perfectly well that all cannot win, while the holders of land, in a sort of hazy way, think that somehow a town may grow up, a railroad be built or a manufacturing enterprise may locate near their land, if they only wait. And it is this waiting which produces all the poverty with its accompanying misery in the world."

A landowner, *as such*, is a non-producer. When he holds land out of use for speculation he is a menace; but when he puts it to use by building a house or raising a crop he is fined (taxed) for adding to the wealth of the nation.

It is mainly the land gambling instinct inherent in most of us that is responsible for our taxes and resultant depression. It is also the reason why the substitution of the collection of ground rent for taxes will not find ready adherence, because it is obvious that if all ground rents are taken by the government there will be nothing left for speculation. The market price of land is its untaxed value. If the ground rent is 8 per cent and only 2 per cent is taken, the market value is the remaining 6 per cent, capitalized. Besides the gambling instinct the advocates of paying the cost of government with ground rents are up against the conservatism of the masses and their fear of a new idea. The first and most important thing to do is to bring into the consciousness of a majority, this fundamental fact: that land and natural resources are not property in the sense that food and products are property, but are gifts of the Creator, and like air, are of the essence of human beings. The more moderate of the adherents of this philosophy—while not abating their demand for the entire ground rent—will accept a gradual approach. But there are some sincere enthusiasts who demand all or nothing. These bitter-enders would even reject the Milk River Plan where there is no local taxation but a surplus of ground rents after paying all expenses because, forsooth, the Milk Riverites still pay Canadian and provincial taxes and tariff.

It is not necessary that a horde of government agents go around to the landowners, like the landlord of a tenement house, to collect the ground rent. One merit of this great reform is its simplicity. Unlike Socialism or Communism it entails no revolution. It utilizes the present tax gathering machinery which now levies taxes on improvements as well as on land values, but will hereafter cut out all improvement taxes and increase the taxes on land values. "But," it might be asked, "instead of other taxes will we have to pay more land taxes?" "Not at all; what will be collected is land rent. Calling it a tax doesn't make it one." "But, don't you say all taxes are added to the price you pay?" "If it were indeed a tax that would be so. But all economists admit—even

the most conservative and reactionary—that a tax on land values cannot be shifted. Why? Because the surface of this planet is limited in area—the quantity of land is fixed. Not so the things produced by the application of labor and capital to land—the potential output is practically unlimited.”

Unless the use of land and natural resources is recovered by the people in this sane and simple way, depressions will recur more frequently, each worse than the one before. Then we shall see in this country what is now taking place in Spain, where the landless peasants, goaded by hunger and misery, are seizing the great landed estates, with accompanying bloodshed, and parceling them out among themselves.

Most of the believers in this philosophy realize the futility of an appeal to the ballot box until the consciences and the minds of the people have been aroused. When that happens, the reform will come as a matter of course. A great economist once wrote: “Social reform is not to be secured by noise and shouting; by complaints and denunciations; by the formation of political parties, or the making of revolutions; but by the awakening of thought and the progress of ideas. Until there be correct thought, there cannot be right action; and when there is correct thought, right action *will* follow.”

Land is Source of our Living

IN the *Traveler* recently several Henry George disciples have accused Peter A. Reilly of Boston of not understanding the principle of land-value taxation, hence his opposition to the doctrine. As if to corroborate their charge, he asserted in a letter the other day that it is “difficult to understand.” Well, we didn’t find it hard to understand.

When I first read “Progress and Poverty” I found the truths stated to be so simple that I wondered why it was that I hadn’t thought of the relation between man and land, that this old earth was created by God for the wants and uses of all mankind and that taxing the community-created value of land into the public treasury would establish the equal right of all persons to the earth, or—as the late Rev. Fr. McGlynn expressed it, “provide a place at the Father’s table for all His children.”

There seems to be no good reason why we Single Taxers should waste time arguing with a man who is in favor of labor being exploited. It is evident that Mr. Reilly is committed to the present unjust economic system and doesn’t want to be enlightened. Unemployment, poverty, vice and crime, all the result of the injustice bottomed on landlordism, doesn’t concern him in the least.

Wherever land-value taxation has been applied, even in a limited degree, the result has been beneficial to all except the land speculator. Diverting ground rent into the public treasury would be a natural tax.

The necessity for government and the value of land are both the result of population, and the revenue of ground rent from the one should be used to pay the cost of the other.

The Single Tax would make it impossible for speculators and monopolists to hold natural opportunities unused or only half used, and would throw open to labor the illimitable field of employment which unused portions of the earth offers to man.

W. L. CROSMAN in *Boston Traveler*.

The Difficulties of Democracy

JOSEPH DANA MILLER in *International Journal of Ethics*, London, England

(Reprinted by request)

“Of all forms of government democracy is the most difficult.”—Sir Henry Sumner Maine.

“The difficulties of popular government which arise from the modern military spirit and from the modern growth of irreconcilable parties could not perhaps have been determined without actual experience. But there are other difficulties which might have been divined because they proceed from the inherent nature of democracy.”—Sir Henry Sumner Maine.

DEMOCRACY contemplates no more than other forms of government—all seek to justify themselves as serving best the happiness of the people. Democracy claims for itself no other *raison d’être* than a tempered monarchy or an honest despotism. We have learned that it is best that power should proceed from below rather than from above, and that it is not safe to vest large powers in any branch of government or any group of persons. And we trust that the practical application of this theory of government will give us all greater happiness, and that civilization and progress are indissolubly connected with it.

Yet what we have termed the difficulties of democracy remain. We have assumed that what stands in its path are obstacles placed there by its foes, when in fact the chief difficulties are inherent in democracy itself. We have assumed that all that it was necessary to do was to place power in the hands of the people, and liberty would be an accomplished fact. We have assumed that democracy would be attained by smashing institutions that impeded it, and that all the rest was a triumphant march.

But democracy is not so much a system of people’s power as a *state of social consciousness*. But even with this all is not attained, since the practical difficulties that remain, defects of knowledge, unconscious bias, failure of governmental machinery, or the natural propensity of men to grasp power and of others to yield power to those who authoritatively assert it, are appalling to whoever will think of the possibility of a pure democracy.

It is seldom we reflect how young democracy really is. We look in vain for any satisfactory democratic teachings among the most eminent of the philosophers and thinkers. Democratic tendencies in their writings we may discern readily enough, with suggestions for more liberal laws, but of democracy, as we of today understand it as a fundamental concept, hardly a trace. It might be thought that here and there some thinker philosophically detached from his times would have announced the discovery of democratic tenets. But no. Aristotle, who discovered more than one important law of human association, could never get away from the institution of slavery, founding the argument for its necessity upon the deceptive analogy of the subordination of body to soul, of appetite to intellect, of

the lower animals to man, and—save the mark!—of females to males. We search the often illuminating but always confused pages of Aristotle's "Politics" for what we of today know as democracy. Even Milton's ideal republic was an aristocracy. The real teachers of democracy have only been rescued from obscurity within a time to which the memory of men now living may travel back. Even great democrats like Mazzini have not yet come into their own.

Democracy is thus without a body of doctrine to which it may successfully appeal. Nor has it anything but the most imperfect historic examples at which to point. The democracy of Athens was a rather exclusive government of intellectuals based on slavery; the republican cities of the Adriatic and even the Swiss cantons were administered in accordance with aristocratic principles; even Cromwell's commonwealth was a modified dictatorship. The French Revolution alone at its inception provided the world with an example of democracy, but it was more an aspiration than an experience.

It has been said that "the remedy for the ills of democracy is more democracy." There is truth in this, but not the whole truth. Those who are perplexed or disappointed at the results of democracy should realize that the course of development through which civilizations and peoples must pass as analogous to that which confronts the infant learning to walk. Democracy will stumble and lean upon rotten pillars long before it learns to walk alone. Like the Israelites it will return every now and then to its idols, and set up brazen images of demagogues before which it will prostrate itself, so that the very friends of democracy will despair of its future.

The ills of democracy, then, are not all to be remedied by more democracy. For they are inherent in democracy. The methods by which it seeks to express itself will be found to be halting, inarticulate, stammering. Universal suffrage will not of itself bring democracy any nearer, nor will the Initiative, Referendum and Recall. For these offer no guaranty that the rights of minorities will be any safer. Indeed there seems to be some reason for believing that the rights of minorities have been established and secured in fundamental law, by constitutional and court decisions in the making of which majorities have had little or nothing to do.

Until democracy shall agree as to what democracy is we shall not move any nearer to its attainment. We have certain democratic shibboleths such as "All men are born equal," "Governments derive their just powers from the consent of the governed," and "No taxation without representation." We have of course never lived up to any of them. We denied the first by the institution of slavery, the second by our policy in the Philippines, the third by the denial to women of the suffrage. Democracy is like religion; men seldom live up to its professions.

If we have learned to believe whole-heartedly in democ-

racy, wherefore our distrust of her? Is it that our doubts speak more strongly than our faith? We hear that China has become a republic, or that the Persians have established a parliamentary form of government. We sympathize, but we do so with caution. We say: It may be well to wait. Maybe they are not yet ready for democracy. "Not ready for democracy?" says someone, indignantly; "are not the ills of democracy to be cured by more democracy?" Maybe; but then again it may be best to wait. There was Mexico with her Madero—the history is too recent to need more than just its mention. Perhaps democracy is a lesson to be learned—learned through suffering and travail—reached through long and tortuous journeying.* Maybe it is not something that springs full-armed and perfected like Minerva from the head of Jupiter. Maybe the cure for the ills of democracy is not only more democracy, but more knowledge and more love.

Why not recognize that democracy grows only as public opinion grows in intelligence and toleration? Public opinion as a governing force was born hardly more than a hundred years ago. Its advent was heralded in France by the ferment of revolution, in America by the Declaration of Independence, in England by the Reform Bills. But none, even among the more intelligent and well-meaning statesmen of the time anterior to this, reckoned with public opinion as a governing force. For there was no such thing. Government to the masses of men merely personified itself in the ruling power, and all but the very few were gathered under the personal standards now of one leader, and now of another.

Perhaps conservatives and democrats do not differ so much as to the right of public opinion to govern in the modern constitutional state. Where they differ is rather on the question of the distribution of power, one side holding that the interests of the state are best conserved by powers lodged with the possessors of a moderate amount of property. The argument is that the stability of the state is thus more fully assured. It must not be forgotten that even the ideals of an aristocracy really contemplate the public welfare, however inimical to such ideals may be the practical administration of the aristocratic state.

Let it be remembered that no *a priori* justification of democracy can be entertained. Let us dismiss from our minds all such predilection founded upon early education, frothy sentiment, or the rhodomontade of the mere demagogue. Aristocracy and democracy seeking the same goal urge different paths to its attainment. Let us test each working method by its results. We shall find that aristocracy has failed to justify itself. But we shall not therefore conclude that democracy is not without its grave difficulties. We shall find that these are many, that it has not

* "There is nothing more arduous than the apprenticeship of liberty," says DeToqueville, in one of those sentences with which his great work, despite its minor deficiencies, is replete.

fulfilled its promises, and that of all governments it is the one most prone to respond to the weaknesses of humanity and to fall below the highest tests of intellectual worth.

The friends of democracy have failed in not always clearly formulating the relations of democracy to the individual. So they have been compelled to face the sneers of their opponents at "the sacred fifty-one per cent," and the more serious arguments cited from the known tyrannies of majorities. There have been real friends of liberty who have distrusted democracy because they have contemplated it from only one side, having favorable eyes only for those forms of liberty that have been imposed upon the masses by the gifted individuals of the race. They have not duly considered those forms of liberty which have developed from below—the most lasting ones indeed—rising from the barely articulate aspirations of the masses and resistlessly impelling the living currents of our progress. From this partial view of the advance of the race has arisen the age-long controversy between the friends of democracy and those of its opponents who have loved liberty quite as sincerely.

Even majority rule itself is not a principle; it is working method only. It is better that the majority should rule even when wrong. For the minority, "the saving remnant," may not hope to control a corrupt or ignorant majority any more than that same majority may hope to rise at once out of its ignorance and corruption. But it will rise out of it in time. Time is the important element.

As Matthew Arnold has said in that wonderful essay entitled "Numbers"; "Immanuel and His reign, for the eighth century before Christ, were fantastic. Immanuel and the remnant could not come to reign under the conditions there and then offered them; the thing was impossible."

For, of course, though we accept majority rule as a working method, it is no more true than it ever was that the majority really govern. For "the saving remnant," the active, enlightened, progressive spirits of a community, are under majority rule its real governors if they are numerically powerful enough. Society presents itself somewhat in this light as regards its governing elements. Two dominant forces confront each other, one with the lust of self-aggrandisement fortified by shrewd intellectual purpose and the possession of special privilege, the other armed chiefly with moral power seeking a better state. Between these two battling elements, which are the real forces of social government, are the majority under universal suffrage, sitting as arbiters or jury, animated by passions and impulses noble or the reverse, and swayed now by one side and now by the other.

Consider the course of elections. We imagine the issues are fairly and clearly drawn. These may be the tariff, anti-imperialism, the currency—what you will. The campaign draws to a close; we are on the very eve of the day when these questions are to be decided by vote. What

can be clearer than that they are to be determined in accordance with democratic methods and procedure—by the vote of all the people? The final decision may not be a wise one, but we are at least to have an authoritative vote on great questions of party policy which the people have gravely weighed and considered.

But to what degree are these questions so decided? We have all heard of "the psychology of the crowd." Some "Burchardism" or Morey Letter Forgery, some belated or scandalous rumor affecting the private life of the candidate sprung at the last moment in the campaign, too late to be successfully refuted, decides the issue, and a great party is swept from power and great and momentous policies deferred. These frequently, and not the issues, are the explanation of the recurring swing of the political pendulum.

It is impossible even to indicate the infinite number of considerations consisting of prejudices, friendships, traditions, sudden apprehensions, et al, that determine elections. We think the issues determine them. But to the extent to which these considerations tend to obscure the "issues" are we face to face with what I have called "the difficulties of democracy."

What are the motives which chiefly animate the voters at election time? Men do not vote because of questions of small gains for themselves. This is why the democratic party appeal for the remission of tariff taxes was so long unavailing. Voters even when they had lost faith in protection, were not greatly concerned if sugar cost a penny more per pound, or cloth a few cents more per yard. Nor had they the patience to follow the argument for increased production and commerce through the remission of these taxes. But what seems a hopeless view of the possibilities of democracy in considering the apathy of the citizens in the mass on questions such as these is in reality its chief hope. For men in the mass are mainly influenced by their considerations of right and wrong. Only in this way can they be strongly moved; and it is this ground that is the practical justification of a working democracy.

The friends of the Initiative and Referendum think to solve these difficulties by a system of direct voting upon measures. But they have borrowed new difficulties for those discarded. For as Austin has pointed out in his "Jurisprudence," while the people are good judges of the moral principles involved in legislation they are poor judges of the practical results of law-making.

The proceedings of a legislature involve the consideration of thousands of bills, on only a small percentage of which can representatives be said to have expressed an opinion. Not infrequently it happens that legislatures are called upon to pass upon questions which were not at all questions in preceding elections. In such cases legislators must pass upon matters in relation to which they have received no instructions.

But the difficulty does not end here. Social relations

have become so complex that highly technical statutes have to be framed to regulate them, and the ordinary legislature in the nature of things is made up of men who are only partially educated in the meaning of legal phraseology. They are therefore compelled to accept the interpretations furnished by people who are not disinterested. This state of affairs gives the "lobby" its power. Sometimes the "lobby" is made up of agents of special interests and sometimes of men employed by more or less public spirited bodies seeking their ends for what they believe to be the public welfare. These are the men who try to have legislators accept their interpretation of the laws they are called upon to enact. And it is upon such representation that laws are passed, for it may well be doubted whether any laws are fully understood by even a small minority of the men who enact them.

The difficulty is not diminished but rather increased by referring such matters to referendum. For there will be lobbyists for the people as well as for the legislators. The great mass of the people can no more comprehend the language of proposed laws than can their representatives. They must take the explanation of those who set themselves up as guides of public opinion. And very often such men are as untrustworthy as any other.

Theoretically we conceive of democracy as a system in which all men shall have a voice in determining the character of the laws under which we live. But how shall we exercise this power—directly or indirectly? If indirectly there is danger that the reins of government will slip into the hands of privilege, and the laws become in reality government by the few. Perceiving this the friends of the Initiative and Referendum would resort to direct legislation. But the difficulty of obtaining an expression of their will from democracies composed of widely differing social elements must be recognized. The numbers to be reckoned with are one difficulty; local interests are another; unreasoning party traditions another; the failure of all but a few minds to grasp the essentials of legislative proposals is another. These difficulties are increased rather than diminished by the method of submitting such measures to popular vote.

One of the gravest objections to the continuous direct appeal to the people on legislative matters, in addition to the unnecessary strain it puts upon democracy, is the fact that men in the mass are not influenced by reason, but by emotion and sentiment. This is not a fact upon which we need to commiserate humanity, but one indeed over which to exult, since it enables mankind more clearly to apprehend the abstract principles of Justice, Freedom and Right, before which the unaided reason is apt to falter. But the concrete matters of legislation that need for their proper consideration the colder calculations of precedent and incidence, are not so easily resolvable by men acting through the ballot. Deliberate analysis is not possible to the many acting in this way. Plebiscites will be much

nearer to the moral truth of a great principle than to its concrete application.*

Another of the difficulties of democracy is the selection of the right men to direct affairs. The honesty and efficiency of official functionaries are as important as the laws. Even good laws may be administered by incapable officials in a way to nullify them, and if laws are bad it is really better that we have honest men to enforce them, since the baneful effects of such laws will then be more clearly shown. This is a phase of democracy which our too enthusiastic friends of the Initiative and Referendum too often ignore. As important as our legislation therefore is the character of our nominating system.

Largely because of prevailing nominating systems political power tends to gravitate into the hands of groups of men at the head of which we find the "boss," that phenomenon of democracy who is yet its antithesis. It is the few—the more gifted—who must lead in science and literature. Correspondingly, a few must lead in the politics of a democracy, but owing to the immaturity of political thought, these are not the highly gifted nor even the highly moral.

Another danger is the tendency of large industrial, (especially of semi-public,) corporations, to assert a power independent of the state. This is peculiarly the case with those corporations which possess powers to exclude competition, either by the nature of the functions they perform, or by the direct conferring upon them of such powers by the state. Democracies are less vigilant in detecting such forms of infringement which stronger governments, being jealous of their prerogatives, are quick to suppress. Until democracy shall perceive the nature and use of public functions, and the degree of ownership or control it may safely and legitimately exercise over them, they must remain a constant menace to the stability and continuance of democracy.

It is useless to deny, too, that the checks and balances which from the very beginnings of government have been urged as essential, were not intended to guard democracies from a danger that is very real—the *power that tends to further increase of power*—and because of this, that one branch of government tends constantly to usurp functions which belong to other branches.

If it be the tendency of power to aggrandize power, then it must be no less true of majorities than minorities. Democracies with universal suffrage, unenlightened by the severest knowledge, are likely to encroach upon the liberties of minorities. Indeed this is one of the chief difficulties to be guarded against. Though liberty is always to be preferred, liberty without knowledge must degenerate into license, and hence the inevitable reactions

* Disraeli was right when he said: "We are not indebted to the reason of man for any of the great achievements which are the landmarks of human action and human progress. Man is only truly great when he acts from the passions; never irresistible but when he appeals to the imagination."—Conningsby.

and loss of liberty. The remedy is not in those self imposed restraints upon democracy, but in the enlightenment without which democracy is no more to be preferred than any other form of government.

Party spirit is another of the difficulties of democracy. It is a melancholy history, that of the United States in the more than fifty years of domination by the superstition of party loyalty. It is no exaggeration to say that the long life of both the Federals and Whigs, as well as that of the Republican and Democratic parties in later years, was due neither to the merits of the arguments advanced, nor to any far-sighted leadership of party statesmen.

It is well that we learn in the consideration of this subject that forms of government have not the importance they seem to have. Democratic forms do not of themselves insure democracy. That is, unconsciously, the very grounds of the objection on which the opponents of universal suffrage rest their case, and the friends of universal suffrage, in combating the arguments of their opponents, miss the point in the same way. For universal suffrage is not democracy, but only one of the modes to its attainment.

And now we come to the most serious of all the difficulties that democracy must face. Given an electorate with a large proportion of its members steeped in poverty, and thus open to the temptation of bribery, neither universal suffrage, direct legislation, nor any perfection of purely political forms in the direction of democracy, will avail. Where opportunities for employment are a boon for which men must struggle and sue, and are thus the easy prey of vote-buyers on election day, or demagogues with their insidious appeal at all times, the forms of democracy may indeed exist, but the spirit has long since fled.

Despite some appearances to the contrary we have not yet passed this danger. Our friends of the Direct Legislation movement tell us that "You can buy the legislature, but you cannot buy the people." But unfortunately we have more than one example of purchasable electorates. Then, too, electorates are open to certain insidious forms of appeal even when not directly purchasable, to which legislatures are immune. This is obviously true when the balance of power is in the hands of those whose bitter necessities make a few dollars on election day, or some little job with the city government, a great temptation. It is not necessary that the entire community should be corrupt; a small number may often be sufficient to decide the issue between democracy on the one hand, and demagoguery or plutocracy on the other. These elements in a democracy constitute its constant menace.

Until society is composed of men and women who have sufficient leisure to study and digest public questions the will of the majority can be little more than the cry of the demagogue. Most people, as society is now constituted, cannot pass intelligently upon general legislative questions. Nor can these questions be safely left to any class in the

community, as history abundantly testifies. Power so lodged has always been used for the selfish interest of the ruling class.

Hence the hope of a true democracy must consist in struggling toward a society in which the masses of men will have such living conditions as will permit them to devote much of the energy now directed to making a livelihood to the determination of public questions.

It may be objected that men who have abundant leisure do not now so occupy their minds. But this objection holds good only as leisure is a limited and not a general possession. Poverty and wealth are alike temptations to dissipation, in one case to woo forgetfulness, in the other to occupy idleness.

It may be safely affirmed that democracy is only possible under conditions where inequalities of fortune are not greater than inequality of human intelligence and character. A system which tends to accentuate human inequality by giving to him that hath while robbing him who is poorly endowed makes democratic government impossible or impotent to work out its true destiny.

In conclusion, reasoners for or against democracy know nothing of its true genesis, its actual life, or its real significance who know not the Economic Man. Political democracy is conditioned upon economic independence, is influenced by the flux of social forces more than by governmental forms. A portion of the people deprived of the opportunity of making a livelihood—the unemployed—have more power to determine whether democracies shall live or die than the most perfectly framed hypothesis of your political reformer. For not on forms does democracy so much depend as on the relation of Man to his Job. Those who would establish democracy must found it on the equality of economic opportunity.

THE masses of men, who in the midst of abundance suffer want; who, clothed with political freedom, are condemned to the wages of slavery; to whose toil labor-saving inventions bring no relief, but rather seem to rob them of a privilege, instinctively feel that "there is something wrong." And they are right.

PROGRESS AND POVERTY.

AND now that slavery has been abolished, the planters of the South find they have sustained no loss. Their ownership of the land upon which the freedmen must live gives them practically as much command of labor as before, while they are relieved of responsibility, sometimes very expensive.—PROGRESS AND POVERTY.

I PREFER dangerous liberty rather than quiet servitude. It prevents the degeneracy of government, and nourishes a general attention to public affairs.

—Thomas Jefferson.

Causerie

BY THOMAS N. ASHTON

SHOCK ABSORBERS

BRAVE men of brain and brawn long have battled with the enervating effects of their self-imposed tax system. Taxes to the right of them—taxes to the left of them—into the valley of bankruptcy our brave men have blundered; into the valley of chaos rides two hundred thousand times six hundred.

Yet ever and anon some brave soul invents a gadget—or perfects a plan—whereby society may be succored in its misery without disturbing the cause of its miseries succurrere disco. That's it! To raise taxes without hurting too much. Ah, if we could but find that metaphysical point of maximum efficiency in taxing industry to the hilt without invoking the law of Diminishing Returns upon our hare-brained, hapless heads!

To this end serious souls have lain awake o' nights cogitating upon the lucubration of lessening the impact of taxes upon ability-to-pay.

Comes an inventor with an invention to succor society from the succubus and succuba of its own tax torture.

This time it's shock absorbers.

The idea is simple.

"Government policy should be directed to maintaining a condition of moving equilibrium between farm incomes and city incomes—that is, it should soften the shocks of adjustment of the farm industry to changing economic conditions."

Don't you think that's a swell idea—or don't you?

Nothing could be simpler. All we need is governmentally to provide a spiral-shaped, round and resilient gadget for quickly interposing between the seat of the farmer's jeans and the toe of the tax assessor's boot.

Does that make it clearer and more inviting?

"We have always had a farm problem," sez the shock-absorber economist.

Surely, no one who has read "Progress and Poverty" will contradict this statement by the professor. Under our present tax system the farmer can reap naught else but headaches from tax-bill to tax-bill—from loss of market to loss of market, season in and season out.

"Farmers in the past have suffered from five kinds of disturbances: disturbances in price levels, technological change, or mechanization of farming, political changes induced by the world war—principally the growth of the policy of economic nationalism, population changes in the United States, and changes in consumers habits."

Obviously, the farmer must be secured against this five-way fee-fo-fum, and the first thought which occurs to us is that the Legislature "ort'er pass a law" preventing the consumers from changing their habits—preventing them from changing anything but their linen. This might be the first step in shock-absorber stabilization.

We've tried price fixin'—'taint so hot.

Political changes, like the poor, we have always with us. That's out.

The technological changes might be precipitated into the two distinct elements of mud and water by the Technocrats. There's a possibility.

Population changes might be placed under the authority of birth control boards and thus relieve the farmer of that headache.

These merely are suggestions for consideration by those economists whom are too busy to read George's "Science of Political Economy."

"There is not one farm problem, but many; the problem of the sharecropper in the South; of the wheat farmer in Kansas; of the lemon grower in California; of the dairy farmer in New England, and many other types of original problems."

In short, there are as many farm problems as there are farms.

"The main problem is how far shall the power of the state be used to give the farmers of the country an assured economic position."

With customary courtesy, and in keeping with professional policies on economics, the problem of constructing an efficient shock-absorber is left in your laps.

CLOSED SHOPS

Vice-Chancellor Berry, holding court in chancery for the State of New Jersey, has ruled that a contract providing for a closed shop in that State is "unlawful and unenforceable." He employs the words of a United States Supreme Court decision, as handed down in 1892, to the effect that

"Whatever enthusiasts may hope for, in the country every owner of property may work it as he will, by whom he pleases at such wages and upon such terms as he can make; and every laborer may work or not, as he sees fit, for whom, at such wages as he pleases; and neither can dictate to the other how he shall use his own, whether property, time or skill."

This freedom to contract is the Utopia which we hope to see established someday in these United States. It bespeaks the only everlasting mode for continuous harmony between employer and employee. Unfortunately we are not living in Utopia. Unfortunately neither the tax-assessor nor the union delegate will permit that happy state to come to fruition; the statute law requires otherwise of the assessor and the law of survival compels the employment of labor delegates to offset the ravages wrought by our tax system.

Alexander Hamilton expressed the conviction (*Federalist No. 79*) that "a power over man's subsistence amounts to a power over his will." In those twelve words lie the key to the economic duress which, since the enclosure of England's commons, has never failed to prevent the Anglo-Saxon laborer from exercising a true freedom in

working for such wages as he pleased, when and where and with whom he pleased.

It is therefore futile for the New Jersey Court, or any other court, to speak so emphatically and conclusively in regard to legal rights concerning so-called freedom to contract. Whilst the instant case may be settled insofar as New Jersey's judicial cognizance is involved, the case, and all other cases similar thereto, are not in fact settled. The victorious litigant may feel elated and constrained to applaud the decision and to commend the wisdom of the court, nevertheless, the defeated litigant undoubtedly is smarting under the sting of economic adversity and he begins to question the sanity, the humanity and sanctity of the judiciary. The unionist knows, full well, what his lot would be in this distressed nation *if* the labor union was not at hand to combat the natural urge of employers toward longer hours and less wages. The unionist knows, full well, that his unionized faction of society (small in fact) has its greatest obstacle—under the existing order—in the non-union worker. Being men of little, or no, or erroneous learning they have but one method for reaching their objective of higher wages and shorter work-days—the method of coercion.

These legal determinations of economic problems can have but one final consequence—the distrust, disrespect and even contempt of more than ninety per cent of our population for the judicial branch of government. This untoward attitude plainly has been displayed during the recent sit-down strikes in our automobile-factory disputes. It is idle to attempt to command the laborer's respect for our courts of law. Respect must be earned by him, no matter how exalted his position, who desires the highest regard of his fellowmen.

It would seem, therefore, that inasmuch as the judicial branch of government is, supposedly, the most learned—that inasmuch as this branch continually is at grips with matters founded in economic duress—it behooves our learned jurists to add to their learning in the subject of political economy; to speak from the public platform, betimes, in regard to the erroneous economics which infest our statutes and which restrain unbiased judges from rendering true justice between man and man; to inform the public that no laborer is really free to contract as long as monopoly prevents a laborer from working for himself at better wages than those offered by an employer.

For our jurists to stick to their legal knitting despite the words of Hamilton and of his successors who similarly have spoken; for our courts to eternally hand down decisions which conflict with the law of survival; there can be but one consequence—public antipathy toward our courts.

"The exemption of (judicial) salaries from diminution," said Justice Holmes in *Evans vs. Gore*, 1919, "is intended to secure the independence of the judges" for the

reason stated by Hamilton. The true independence of the laborer, against diminution by economic duress, is just as essential and just as inevitable—whether it requires years or centuries to accomplish that end.

Though it is not the official duty of the judiciary to criticise statutes and customs before the points are brought in case, it is, nevertheless, its duty as several citizens of society to lend their efforts toward establishing sound laws, sound taxation and true freedom to contract. To say that the laborer of today, or of yesterday, or of tomorrow is free to take a job or leave it—under the existing order—is to say that a judge is free to refuse to deliver up his wallet at the point of a gun held by a determined thief; the judge is free to refuse and free to forfeit his life. Judicial decisions predicated on such freedom—albeit unwittingly—can have but one, very serious, consequence.

The freedom to contract cannot survive—nor society with it—except that freedom be true in every sense of the word.

The judiciary has been endowed, ostensibly, with the very best of educations; it holds the ultimate authority over social affairs; it occupies the supposedly highest office in government; it speaks with authority and finality insofar as government has provided; but it is subject to the same laws of Nature as is the lowliest laborer who suffers defeat at the Bar in his struggle to use force against the ostensible wisdom of judges, legislators, executives, and so-called capitalists with all their wealth and benefit of education.

The closed shop of labor has its faults, without question, but this institution is inevitable as long as the closed shop of erudition is not receptive to enlightenment on Henry George's treatment of the science of political economy. The closed shop of erudition was instituted when our "best" colleges, universities and law schools reached unanimity in defending the present tax system. The open shops of Dove, George, the French physiocrats, and of their followers, are anathema to the closed minds of those who cling to error as long as it is popular and desired by donors of wealth. Erudition's closed shop must, at all costs, preserve the economic freedom of our pourers of tea and wrist-watch slummers; it must maintain the brass-monkey dignity of professors of political economy; it must preserve the economic platitudes, sophistries and aphorisms which come in meteoric showers it must safeguard the Nervous Nellies' indecision in getting out of the rut of obvious economic twaddle; it must secure the political jobs of those who have the faculty of saying undisputed facts in a Vesuvian way; and to do all this it is content to let Labor drown its misery in beakers of Blatz whilst society continues its hell-bent sprint to Gehenna.

EXPERTS

Exactly one century—one hundred years of the ceaseless tide of time—has passed since a memorable "depres-

sion" came to pass in these United States. Other depressions have had their moments before, and since, that of 1837. Because this nation has survived all previous depressions there has come to our people the naive conviction that such financial catastrophies are merely "those things" which are inevitable, except insofar as the Whigs were held to be the guilty cause—except insofar as the Republicans are now held to be totally responsible.

Unfortunately, our statesmen (?) do not study economic history. "Muddling through" has been our only corrective process—a procedure which has come to us by inheritance from our ex-Mother Country. We bull-headedly adhere to our expert muddling, and to sustain our reputation for rationalism we have built up a system of economic education which persuades our innocent school children that depressions are merely unavoidable "things."

The story is old. The circle is monotonously the same at all times, and we dislike even to increase the diameter of the circle so that we may experience a broader field of reason. In some respects we have performed remarkable acts. We have even invented a one-ton machine which can solve nine simultaneous equations, involving nine unknown factors, in one simple operation; yet we still adhere to the fetish of money-wealth as doggedly as does the native of Yap to his coin made from stone, circular in form, as much as twelve feet in diameter, weighing about two tons and holed in the middle like a Life Saver mint.

From 1820 to 1837 this nation increased enormously in population and in wealth. By 1835 every cent of the national debt (\$90,000,000) had been paid and there was a surplus in the public treasury. There began the era of road-building. The construction of the Erie Canal resulted in reducing the cost of freight transportation from \$21.50 to \$6.50 per ton. Railroad trackage increased from 23 miles to 1,273 miles in only six years. Steamboat tonnage increased nearly 600 per cent. The cotton crop doubled as well as its price. Our people envisioned a new El Dorado in the west and the land-boom began. Speculators bought these western acres at \$1.25 each, until the land sales of Government areas jumped from one and a third millions to nearly five millions of dollars in the next ten years; in five more years they had skysocketed to twenty-five millions of dollars; and *all* on fictitious values. Prices became so inflated that money was scarce. The mobs in the streets of New York began to shout for cheap food, seeking to attain their demands by destroying a great flour warehouse as the mob-method for making flour cheaper.

The cold grey dawn of the morning after had come.

Banks became forced to suspend payment. Business houses, great and small, became insolvent; widows and heirs had trunks full of worthless stocks; hard money disappeared; barter became necessary for many—shoes were bought by soup-tickets or whiskey-chips.

Such is the brief story of the depression of 1837.

We are still at it.

Muddling through.

Experts.

TAXATION CLARIFIED

In a certain spot on the Atlantic seaboard nestles an ancient community—the birthplace of rugged hewers-of-wood and sturdy drawers-of-water, of old-time brewers of rum-and-molasses, of sun-tanned and weather-worn stalwarts who went down to the sea in ships, of solemn-visaged scholars who builded the foundations of "larnin" now grown to an "Educational Octopus," of the democratic town-meeting and the institution of voluntary contributions to the cost of government. Here was created the much-prized Block-Island-feather beds, low-posters and high-posters, appropriate to shin-length, ballooning, nightgowns woven on rude hand-loom for the powerful frames of he-men.

Once having drawn the breath of life, this people grew in numbers and taxes with the fortitude of a no'theast blizzard, and equally indiscriminate.

The multiplication of people and taxes, in utter abandon, has its fruits, a fact which this people came quickly to realize—after three hundred years. In consequence, the duly elected senators and representatives resolved, in 1936, to cope, once and for all time, with the tax-blizzard. In 1937 their committee-on-taxation, reinforced by governmental executives and industrial experts, tendered their reports.

Of the fourteen members, which graced the committee, eight signed the majority report, *but* two of the eight also submitted minority reports, *and* four of the eight also submitted "individual supplementary reports." The fortitude of the no'east blizzard still survived.

One of the minority reports is a "stinging indictment of the other members" and recommends that the work be done over. It tosses out such intimate niceties, about the majority-member activities, as "insignificant" . . . "has not been done" . . . "no attention whatever" . . . "perfunctory dabbling in the muddy waters of opinion as presented by ill-informed or selfishly interested persons" . . . "failed to fill the aims" . . . "unworthy of mention" . . . "no reasonable effort made" . . . "nullify its own procedure."

In majestic unconcern over minority protests and supplementary reports, the majority members terminate the year's deliberations by recommending the licensing and taxing of illegal betting-pools—increased taxation upon horse and dog race-tracks—decreasing real estate taxes to 2½ per cent maximum—increased taxation on water-craft consumption of gasoline—the taxing of savings bank accounts which exceed \$4,000 each—increased taxation on "intangibles"—increased taxation on motor trucks from foreign states—*but*, disapproves the sales-

tax proposal which has been so favorably endorsed in numerous public statements by the long-experienced, acknowledgedly-expert, prominently-positioned, positively-spoken, Single Tax antagonist, Commissioner of Taxation.

This, mes amis, is the picture of the fruits of three centuries of labor by the hewers, the brewers, the drawers, the sailors, the scholars, and the freedom of self-government carefully nurtured by the "Educational Octopus" in its lair of learning at the Center of Knowledge.

The Henry George School— Watch How it Grows

THE following lists of the Extension Classes of the Henry George School of Social Science in Boston, Pittsburgh, Cincinnati, and Chicago will give some idea of how the School is growing:

BOSTON, MASS., EXTENSION—OPENING DATES

Mrs. Francis G. Goodale, Secy., 79 Webster Rd., Weston, Mass.

1. Boston—Doll & Richards Gallery, 138 Newbury St., Mon., Oct. 4, 7:45 p. m.
2. Boston—Doll & Richards Gallery, 138 Newbury St., Thu., Oct. 7, 7:45 p. m.
3. Cambridge—Cambridge Social Union, Brattle S., near Harvard Square, Wed., Oct. 6, 7:45 p. m.
4. Brookline—Brookline Public Library, 361 Wash. St., Tue., Oct. 5, 7:45 p. m.
5. Herron Hill—Centre Ave. Y. M. C. A., 2621 Centre Ave., Fri., Oct. 15, 7:30 p. m.
6. Medford—Giovanni D'Orsi Studio, 11 Riverside Ave., Medford Square, Tue., Oct. 5, 7:45 p. m.

PITTSBURGH, PA., EXTENSION

Richard E. Howe, Secy., 809 Keystone Bldg., Pittsburgh, Pa.

NEIGHBORHOOD CLASSES OPENING DATES

1. North Side—Perry High School, Perrysville Ave., Mon., Oct. 11, 7:30 p. m.
2. North Side—Oliver High School, 2323 Brighton Road, Wed., Oct. 13, 7:30 p. m.
3. North Side, Latimer Jr. High School, 500 Tripoli, Mon., Oct. 11, 7:30 p. m.
4. Lawrenceville—Arsenal Jr. High School, 40th at Butler, Mon., Oct. 11, 7:30 p. m.
5. Herron Hill—Centre Ave. Y. M. C. A., 2621 Centre Ave., Fri., Oct. 15, 7:30 p. m.
6. Schenley Heights—Schenley High School, 4101 Bigelow Blvd., Mon., Oct. 11, 7:30 p. m.
7. Oakland—H. C. Frick Teachers Training School, 5th and Thackeray, Wed., Oct. 13, 7:30 p. m.
8. East Liberty—Peabody High School, Black and Beatty, Wed., Oct. 13, 7:30 p. m.
9. East End—Westinghouse High School, 1101 N. Murtland, Mon., Oct. 11, 7:30 p. m.
10. Squirrel Hill—Taylor-Allecercice High School, 2409 Shady, Mon., Oct. 11, 7:30 p. m.
11. N. Homestead—Swisshelm School, 120 Whipple St., Tue., Oct. 19, 7:30 p. m.
12. Hazelwood—Burgwin School, Glenwood and Mansion, Mon., Oct. 11, 7:30 p. m.

13. Sheraden—Langley High School, Hutton Ave., Mon., Oct. 11, 7:30 p. m.
14. Ingram, Pa.—Ingram Public Schools, Vancouver Ave., Mon., Oct. 11, 7:30 p. m.
15. Mt. Washington—South Hills High School, Ruth St., Mon., Oct. 11, 7:30 p. m.
16. South Side—South High School, 10th and Carson, Mon., Oct. 11, 7:30 p. m.
17. Carrick—Carrick High School, 125 Parkfield, Wed., Oct. 13, 7:30 p. m.
18. Dormont—To be announced.

DOWNTOWN CLASSES—OPENING DATES

19. 809 Keystone Building, 324 Fourth Ave., Mon., Oct. 11, 6:00 p. m.
20. 809 Keystone Building, 324 Fourth Ave., Wed., Oct. 13, 6:00 p. m.
21. 809 Keystone Building, 324 Fourth Ave., Fri., Oct. 15, 8:00 p. m.

CINCINNATI, O., EXTENSION—OPENING DATES

George W. Hughes, Secy., 1004 Yale Ave., Cincinnati, O.

1. University Y. M. C. A., 270 Calhoun St., Mon., Sep. 27, 7:30 p. m.
2. Union Central Life Bldg., 4th and Vine Sts., Tue., Sep. 28, 6:00 p. m.
3. Valley Y. M. C. A., 8207 Vine St., Wed., Sep. 29, 7:30 p. m.
4. Newport (Ky.) Public Library, 4th and Monmouth, Thu., Sep. 30, 7:00 p. m.
5. Union Central Life Bldg., 4th and Vine Sts., Thu., Sep. 30, 7:30 p. m.
6. Norwood Y. M. C. A., Sherman and Walters, Fri., Oct. 1, 7:30 p. m.

CHICAGO, ILL., EXTENSION—OPENING DATES

Henry L. T. Tideman, Secy., 2011 Bradley Pl., Chicago, Ill.

"LOOP" CLASSES—OPENING DATES

1. 11 S. LaSalle St., Room 1415, Mon., Sep. 20, 7:30 p. m.
2. 30 N. LaSalle St., Room 909, Tue., Sep. 21, 7:30 p. m.
3. 180 W. Washington St., Room 502, Wed., Sep. 22, 6:30 p. m.
4. 180 W. Washington St., Room 502, Thu., Sep. 23, 7:00 p. m.
5. 30 N. LaSalle St., Room 909, Fri., Sep. 24, 7:30 p. m.

NEIGHBORHOOD CLASSES—OPENING DATES

6. Park Ridge. To be announced.
7. Wilmette. To be announced.
8. Irving Park Y. M. C. A., 4251 Irving Pk. Bldg. To be announced.
9. Lincoln-Belmont Y. M. C. A., 3333 N. Marshfield Ave., Wed., Sep. 15, 7:30 p. m.
10. Residence of G. K. Carus, 2120 N. Sedgwick St., Wed., Sep. 22, 8:00 p. m.
11. Oak Park Metropolitan Business College, 1118 Lake, Tue., Sep. 21, 7:30 p. m.
12. Austin Y. M. C. A., 501 N. Central Ave. To be announced.
13. Jewish Peoples Institute, 3500 W. Douglas Blvd., Wed., 8:00 p. m.
14. Englewood Y. M. C. A., 6545 S. Union Ave., To be announced.
15. Hyde Park Y. M. C. A., 1400 E. 53rd St., Tue., Sep. 21, 8:00 p. m.
16. Circle Pines CC.-OP, 1507 Gable Ct., To be announced.
17. Roseland Y. M. C. A., 4 East 111th St., Tue., Sep. 21, 8:00 p. m.

School's Fall Term Opens

AS we go to press the fall term of the Henry George School of Social Science gets under way. Considerably over one hundred classes start during the last week of September. By November first it is now certain that the number of classes teaching Fundamental Economics and Social Philosophy will reach two hundred at least. The work of organizing classes will continue from now

until next June. The planned-for enrollment for the year is twenty thousand.

The headquarters will not receive reports of enrollments from the extension classes throughout the country for a month or so. New York classes opened during the week of September 27 with over five hundred students. In the School building itself there are eighteen classes studying "Progress and Poverty." There are three teachers training classes—with a total of forty students, for these classes are purposely kept small—and two classes studying "Protection or Free Trade." Classes are conducted afternoons and evenings. Outside the building fifteen classes open during the week of October 4, in parish houses, Y. M. C. A.'s, Y. M. H. A.'s, club rooms, offices, hotels and a labor temple. More are in the making for opening later in October.

Miss McCarthy, the School secretary, reports a ready acceptance of the offer to conduct classes in economics. Everybody seems to want to know the answer to the problem of poverty. Ministers are particularly interested, and willing to let the School use its parish houses. The leaders of the Cooperative movement are encouraging. "A hundred classes in New York would be easy," says Miss McCarthy, "if we had teachers."

The Correspondence Division, begun only seven months ago, now has an enrollment of seven hundred. During the past month 28,000 circulars were sent out to school teachers, lawyers, college professors, ministers, business men, accountants and social workers. The usual two per cent in enrollments is being received. One inch space in several newspapers proved that the Correspondence Course could be promoted by publicity at even lower cost than by circularization. Therefore, the trustees have decided to concentrate on newspaper and magazine advertising. One advertisement, costing forty dollars brought 215 inquiries, from which 56 actual enrollments have been received. The others will be followed up.

During the last two weeks of September enrollments in the Correspondence Course were coming in at the rate of twenty-five a day. More than half of these new students purchase copies of "Progress and Poverty." While the School is interested in teaching and not in selling books, it is quite heartening to see copies of the great book being sent out daily to purchasers who agree to study it and to answer the printed questions of the Correspondence Course lessons.

The extent to which the Correspondence Course can be expanded is limited only by the available funds. The cost of enrolling and carrying through of a student is a few cents under three dollars. This is somewhat offset by a small profit on the text book and by voluntary contributions of the graduates from this course. The problem of classroom space is avoided. Instructors to correct papers are not held down to a specific time schedule, and

those who do not wish to take the arduous task of conducting classes find in the Correspondence work the opportunity to help that they want.

However, the School feels that while the Correspondence Course is a way of spreading a knowledge of our philosophy, it necessarily lacks the stimulation that comes from the personal contact with other Georgeists. Therefore, it is planned to organize groups of these Correspondence students into discussion groups. This, however, must be postponed until the number of graduates increases.

Returning to the New York situation, it is significant to note that of the teachers who are conducting classes only three can really be classed "old-timers." The rest gained their knowledge of the philosophy at the School within the last four years. This is true also in other centers, such as Chicago, Boston, Cincinnati, Newark and Pittsburgh. New faces, young leaders and workers, trained in the thorough educational method, fired with a zeal that comes with knowledge, as well as conviction, assures the movement continued and healthy growth.

How I Started A Class in Hartford

FIRST I determined who was in charge of the Adult Educational Department and I discovered that it was in charge of the local W. P. A. I immediately communicated with the W. P. A. director and sold him on the idea of starting a class in economics. I am going to conduct it just like all other classes are conducted in "Progress and Poverty." The only difference is that I am not using the name of the Henry George School of Social Science, as that would be considered propaganda by the Adult Education Group.

I trust that my experience will be of help to other cities. My class, to be conducted under the auspices of the Board of Education, is scheduled to start a week from Wednesday. I have been promised some special publicity and, in fact, I have an appointment for Wednesday morning with a reporter for the *Hartford-Times*, who is to write an article on the class.—NATHAN HILLMAN.

IN every civilized country pauperism, crime, insanity, and suicides are increasing. In every civilized country the diseases are increasing which come from overstrained nerves, from insufficient nourishment, from squalid lodgings, from unwholesome and monotonous occupations, from premature labor of children, from the tasks and crimes which poverty imposes upon women.

PROGRESS AND POVERTY.

THE poverty which in the midst of abundance pinches and embrates men, and all the manifold evils which flow from it, spring from a denial of justice. In permitting the monopolization of the opportunities which nature freely offers to all, we have ignored the fundamental law of justice—for so far as we can see, when we view things upon a large scale, justice seems to be the supreme law of the universe.

PROGRESS AND POVERTY.

The Robert Schalkenbach Foundation Report

AUGUST, usually a dull spot on the business calendar, proved a lively one for us. Important library work was done, including a donation of books to a new special collection at the University of Pennsylvania.

The laurel wreath goes to our friend Professor Harry Gunnison Brown. He is assigning certain chapters of "Protection or Free Trade" to his class in General Economics this semester, and with his assistance we sold forty-five books to the University of Missouri Library.

New upon our shelves is "A Perplexed Philosopher" by Henry George, being the author's famous examination of Herbert Spencer's recantation of his earlier declarations on the land question. This is the 1937 edition just published by the Henry George Foundation of Great Britain. It is 241 pages, carefully indexed, bound in the familiar bright red cloth of the English publications. Not having convinced the customs house officials on the tariff question, duty proved quite an item in figuring the price of this book, but we have fixed it at seventy-five cents a copy postpaid.

By special arrangement with the Macmillan Company, we have taken over a large consignment of "The Theory of the Land Question" by George Raymond Geiger, author of "The Philosophy of Henry George." In the year since its publication the book has found a ready sale at two dollars, but we shall pass on the advantages of our bargain with the publisher by offering it from now on at one dollar a copy postpaid. It is beautifully bound, printed on a fine grade of paper. It has chapters on "The Meaning of the Land Question," "Land and Capital," "Historical Aspects of the Land Question," and "Socialization of Land Through Taxation."

It is a year now since we mourned the passing of Charles O'Connor Hennessy. In that time we have bent our efforts toward the accomplishment of his last request of a Georgeist organization. At the International Conference in London, Mr. Hennessy was impressed by two representatives of the Kingdom of Holland who told him of their ambition to start classes in their country similar to those studying "Progress and Poverty" so successfully here. Their great handicap, they said, was that the Dutch translation of "Progress and Poverty" was not only a poor translation of George's message, but had practically passed out of print. They wanted to employ a competent translator to produce the text of the book in their language and make it available at a low price. To this end they sought financial aid. Upon his return, Mr. Hennessy expressed the hope that this Foundation might sponsor a new translation of "Progress and Poverty" into the Dutch tongue. Now the book is actually in the process of being printed. It was made

possible by the generosity of Mrs. deMille and others, with the help of the Henry George School of Social Science, and a substantial donation from our own treasury.

Aware of the difficulties of the Henry George School of Social Science in obtaining adequate locations for their extension classes this autumn, our trustees have volunteered one of our offices for a class commencing October 5. It will be known as "The Downtown Class," and we are recruiting our students from among the business people in the district who might otherwise find it impossible to fit a ten-week course into their busy schedules. The enrollments already received promise an interesting group of students. We shall have more to tell about this in the next issue of LAND AND FREEDOM.

V. G. PETERSON, Acting Secretary.

The California Campaign

THE California campaign is opening. After many months of study, consultation and communication with good friends in and out of the state, plus earnest consideration by the State Legislative Counsel, we have about finished the preparation of the new measure which will be submitted to the people a year from the present time.

In brief we may say, discarding many important provisions not fundamental in their nature, that the proposition will involve the repeal of the sales tax to date from the end of the then current fiscal year, and with the new year there will be the immediate wiping out of \$1,000.00 of the assessed improvement values of homes, plus a 10 per cent reduction in the rate of taxation on improvements and tangible personal property below that charged upon land values. Yearly thereafter, and at the rate of 10 per cent per annum, the remaining taxation on improvements and tangible personal property will be eliminated. The result will be, that immediately not less than \$50,000,000 now collected through the sales tax will be transferred to a property tax, while the exemption of home improvements will affect between 5 and 10 per cent additional of the entire state taxation. Therefore, probably between 40 and 50 per cent of the entire reform contemplated by the measure will be accomplished in the first year. At the end of the ninth year,—for the tenth year will commence with no tax upon them—improvements and tangible personal property will pay no charge to the government.

The result in a general way may be said to be this: At the present time in the neighborhood of 20 to 25 per cent of the rental values are paid in taxes. When the reform goes into full effect we may anticipate, broadly speaking, 60 to 65 per cent will be so paid. This, of course, will represent a tremendous advance, one which has not been made up to the present time in any jurisdiction in this country or abroad.

The present amendment is a notable improvement over the one which was ruled off the ballot by the Supreme Court of the state. Our campaign, up to the time of such exclusion, developed very fully many details of the misrepresentations which will be made by the opposition. We have availed ourselves of this knowledge at many points and have so worded the amendment as to make clear their want of foundation.

During the past week the State Federation of Labor has been meeting in convention at Long Beach. This body had before it a resolution reading as follows:

"Whereas, For the past four years the State has suffered from the imposition of a sales tax falling with particular severity upon the less fortunate members of society; and

Whereas, For many years Labor has been hampered in its progress, men thrown and kept out of work, monopoly fostered, privilege ex-

alted by a tax upon improvements and tangible personal property; and

Whereas, Through the imposition of the sales tax and tax upon improvements and tangible property prices of necessities have been advanced and rents are advancing; and

Whereas, the last four sessions of the California State Federation of Labor have denounced these conditions and unanimously pledged all proper efforts towards their elimination through the adoption of an appropriate constitutional amendment; and

Whereas, Such an amendment was improperly struck off the ballot by the Supreme Court last year, and such act was condemned by this convention a year ago in Sacramento at the same time reaffirming the intention of the Convention to keep the issue before the people of the State at the earliest possible moment; and

Whereas, A like amendment will be submitted to the voters of the State at the coming general election; therefore, be it

RESOLVED, That we reiterate our position heretofore taken on the subject and pledge our support to the abolition of the sales tax and of the taxation on improvements and tangible personal property and transfer of taxation now resting upon them to land values as contemplated by the amendment, and we further request and direct the Executive Council to do all in its power to bring about the success of the pending constitutional amendment."

The resolution was introduced by Mr. Buzzell, Secretary of the Los Angeles Labor Council, reported favorably by the Resolutions Committee and adopted by the convention of more than 900 delegates unanimously. This action was taken understandingly by every man and woman for the printed proceeding showing the introduction of the resolution and its tenor was in the hands of every member for nearly three days before the final action of the body.

The importance of the resolution may be measured in large degree by the fact that the State Federation has increased in numbers over 100,000 within the past twelve months and now includes about 250,000 of the voters of the state. Of course, in addition to this number we have heretofore secured the indorsement of the Railroad Brotherhoods with their many thousands of members, and have no reason to doubt that the C.I.O. organization will fail to take the same general course.

We note with pleasure the fact the the new State Federation president is Cornelius J. Haggerty of Los Angeles, whose name has been upon our letterheads from the beginning, and of whose activity and earnest support we are assured. The same is true as to the State Secretary, Edward Vandeleur, while the remaining members of the State Executive Board are pronouncedly friends of the undertaking.

Having arrived, as stated above, about to the end of the work on the new proposition, we shall, within a few days, submit it to the attorney-general of the state for the summary which he is required to make of every measure submitted under the initiative, and which summary appears at the top of all petitions. Upon the completion of this work by him, we will begin the circulation of the petitions.

I have heretofore noted in your columns the change which was made by the legislature as to the sub-title in twenty words, which formerly was a requisite. Under the new law, at the top of every page bearing signatures will appear a repetition of the attorney-general's summary. We will no longer be subjected to the construction or misconstruction of a twenty word statement of the measure, the exercise of which power threw us off the ballot a year ago. This operation cannot be repeated.

Immediate important work will be the procurement of 187,000 valid signatures to the new petition. This work is gigantic, but there is no reason to anticipate any failure on our part, in securing the needed signatures. This is something we can set down as settled.

That we are entering upon a bitter campaign may not be doubted. The forces opposing us are thoroughly aware of their danger, the question being once presented, as we are presenting it, before the entire voting population of the state. Only a couple of days ago in Los Angeles a friend was called up and asked to contribute \$250 to a fund being raised by the Chamber of Commerce to prevent the ruin which the sponsor represented would come to the state if our proposition were to prevail. His appeal failed of its purpose in this instance,

but the money to be raised against us may well run into hundreds of thousands of dollars.

A week or two ago, without definite knowledge of what our proposition would be, the Real Estate Boards of the state declared opposition to any such measure as anticipated would be proposed at the next general election. So the opposition is awake, and so, on the other hand, should all our friends throughout the United States be awakened to the situation; they should recognize the fact that this contest may well represent the turning point in the progress of our movement.

Our friends believed and opponents manifestly feared that had our measure gone to the poles a year ago we would have met success. There are reasons to believe that our position today is stronger than then and that we are justified in anticipating success despite the tremendous forces opposing us.—JACKSON H. RALSTON.

The Henry George Congress in Detroit

THE Twelfth Henry George Congress will be held at the Hotel Statler in Detroit on October 14, 15 and 16. It will be memorable in that, for the first time, an attempt will be made to form a permanent organization that shall be nation-wide. Mr. A. Laurence Smith, 2460 East Grand Boulevard, Detroit, Michigan, will be the chairman. He is giving his time and earnest effort to make this gathering worthy of the occasion and has ideas of his own which he will present to the Congress for far-reaching plans for the future.

We are unable to announce at this time the probable attendance from this city and adjacent points, but quite a number are preparing to attend.

We append the tentative programme which is as follows:

THURSDAY, OCTOBER 14

- 9:00 A. M. Registration.
- 10:00 A. M. Address of Welcome.
Response: Hon. George E. Evans, Pittsburgh, Pa.
President, Henry George Foundation of America.
Address: Aim of this Convention, Henry C. L. Forler, Detroit, Mich.
- 12:30 Luncheon.
- 2:00 P. M. Chairman: Mrs. Anna George deMille, New York, N. Y.
Progress Report—The Henry George School of Social Science.
Speakers: Frank Chodorov, New York, N. Y., Business Manager, H. G. S. S. S.
Discussion: Plans to Promote the School Activities.
- 8:00 P. M. Chairman: Dr. A. G. Studer, Detroit, Mich., General Secretary, Detroit Y. M. C. A.
Subject: Slums, Housing and the Single Tax.
Subject: Unemployment and the Single Tax. David Gibson, Cleveland, Ohio.

FRIDAY, OCTOBER 15

- 10:00 A. M. Chairman: Edward White, Kansas City, Missouri.
Subject: Declaration of Principles.
Subject: The Aim of Single Taxers. Warren S. Blauvelt, Troy, New York.
Subject: Coordination of Ideas. Gilbert M. Tucker, Albany, N. Y.

Discussion.

Subject: A Model Constitutional Amendment. F. B. McConaughy, Cincinnati, Ohio.

Discussion.

12:30 P. M. Luncheon for Trustees and Advisory Commission of the Henry George Foundation.

2:00 P. M. Chairman: Rabbi Michael Aaronsohn, Cincinnati, Ohio.
Subject: Plans for Promoting the Single Tax. My Ideas for Active Work. Edward White, Kansas City, Mo. Otto Cullman, Chicago, Ill. Jane McEvoy, Washington, D. C.

(Have Chairman announce that discussion and questions can follow after all speakers have finished.)

Discussion.

7:00 P. M. Annual Henry George Foundation Banquet.
Toastmaster.
Speakers.

SATURDAY, OCTOBER 16

10:00 A. M. Chairman:
Subject: Shall We Try to Concentrate all the Single Tax Activities in One State?
Speakers: Chas. H. Ingersoll, New York, N. Y.; Percy R. Williams, Pittsburgh, Pa.; Harold S. Buttenheim, New York, N. Y.

Discussion.

12:30 Luncheon.

2:00 P. M. Chairman: Dr. Mark Milliken, Hamilton, Ohio.
Subject: Organization for Action.
Speaker: Hon. George E. Evans, Pittsburgh, Pa.

Death of Billy Radcliffe

FRIEND of Henry George and Tom L. Johnson, active Single Taxer for many years, Billy Radcliffe died July 31. He had suffered a stroke four days before and his age and weakened condition gave little hope for his recovery.

"Billy" Radcliffe—he was always so known—had a hotel in Youngstown, Ohio, and this was a Mecca for visiting Single Taxers for many years. Our friend was a rapid-fire speaker with a resonant voice.

President McKinley spoke once in Youngstown and commented on the Single Tax, speaking of it as "a tax on land." Billy Radcliffe asked permission to correct the speaker. "The Single Tax is not a tax on land," he explained, "but a tax on land values." Mr. McKinley, who was always oracular and solemn, replied with a self-satisfied air, "Well what is the difference between land and land values?" and Billy shouted at the top of his voice, "The value."

The audience saw the point and responded with loud applause, much to Mr. McKinley's discomfort.

Our friend lived long enough to see the advancement of the cause, and hailed the advent of the Henry George School with the high hopes which all of us feel.

His life was an inspiration to us all. He never lost his faith and helped according to his means. His presence at the Cincinnati Henry George Congress last year is pleasantly remembered, as well as the short speech he

made, saying with the old time Radcliffe sense of humor, "I am eighty-six years of age and live in eighty-six street."

We are glad to record that his son John Radcliffe is interested in the cause his father served and will be heard from in the future. He expects to be present at the Henry George Congress in Detroit in October of this year.

Funeral services for this splendid veteran were held in Youngstown at which Hon. Peter Witt paid a tribute to his memory.

Billy Radcliffe

THE older generation of Youngstown residents heard with regret of the death of William Q. Radcliffe, known to thousands here and in Cleveland as "Billy" Radcliffe, chief agent in bringing the Single Tax theory to public attention in this district.

In the early nineties and even before that everybody in Youngstown knew Billy Radcliffe. Beginning his career as a street salesman working from a buggy or wagon, singing comic songs to attract an audience, he combined his favorite hobby with his sales talk. That hobby was Henry George's proposal to abolish all taxes save one Single Tax levied on the value of land, irrespective of the value of the improvements on it.

After a successful period as a street salesman, Mr. Radcliffe became proprietor of the hotel which bore his name at Wick Ave. and Commerce St. It was town down a few years ago in preparation for elimination of the Erie grade crossing. Whether selling from a wagon or operating a hotel, Mr. Radcliffe kept preaching Single Tax, notably as a leading member of the Reform Club which met in Town Hall to discuss current problems and usually ended by discussing the Single Tax.

As a recognized apostle of the Henry George movement Mr. Radcliffe was given wider opportunity in Cleveland, where Tom L. Johnson, the liberal mayor, appointed him to various positions of trust and influence.

Billy Radcliffe's economic theories have not found general acceptance, but his character was sound. Youngstown bids him a regretful goodbye with pleasant recollections of a colorful personality and an uncompromising integrity.—Youngstown, Ohio, *Vindicator*.

PRAISE FOR PETER WITT

At the funeral recently held of Wm. Q. Radcliffe at Youngstown, O., Peter Witt of Cleveland spoke following the regular burial services. He praised Mr. Radcliffe very highly for his persistent devotion to Henry George. Read some striking passages from "Progress and Poverty" on the future and the future life, and the possibilities that would develop with the adoption of George's philosophy. Peter is a life-long believer in Single Tax. Able and willing to defend it against all opponents in the press or on the platform. He lectures with a punch that no other in America can equal. Anyone who hears Peter Witt lecture remembers him forever. Get him on your lecture platform.—*The Amalgamated Journal*.

WHEN it was proposed in the British parliament to levy a 7 per cent direct tax on the people, Pitt declared that such a tax would cause revolution, but that with an indirect tax, such as the tariff, "the last rag could be taxed off the workman's back and the last crust out of his children's mouths!" People would attribute their hard condition to "hard times," as they do today, instead of to the unbearable burden of indirect taxation.

Edward Polak Dies

EDWARD POLAK, a former president of the Manhattan Single Tax Club and a director of the Schalkenbach Foundation, died September 9. Funeral services were held on Sunday, September 12, and at the conclusion of the religious service, Lawson Purdy read the last chapter from "Progress and Poverty."

Surviving are his widow and five daughters.

When Bronx County was created, the office of Register was provided for. Mr. Polak was elected to that office, holding it for twelve years. Being the latest of the Register's Office in the greater city, Mr. Polak introduced a system that greatly simplified the recording of deeds, and their examination.

Although Mr. Polak held political office, he never failed to make every effort to advance the principle of the taxation of land values.

He thought he saw the entering wedge through exempting improvements to the amount of \$3,000.00 from taxation.

He persuaded the editor of the *Evening Telegram* twenty-five years ago of the value of his views. The editor set aside one page a day for three months for the use of Mr. Polak and his friends who would fill the page with reasons why limited tax exemption on buildings should be approved.

He was a prolific writer on taxation and did much work in getting assignments for Single Tax speakers before various political and social organizations as well as churches.

Mr. Polak lived in the Bronx for the past fifty years, where he conducted a real estate office.* He was born in New York City in 1862.

He took an active part in the 1897 George Campaign.

Activities of the Manhattan Single Tax Club

THE most important development in President Ingersoll's broadcasting recently has been in the promotion of the WOV Public Service Forum Hour from station WOV with 1000 watts power to station WBIL, 5000 watts, which reaches out to Boston, Albany, Washington, and farther points. The hour has also been greatly improved in being advanced from 6:30 o'clock Sunday p. m. to 4 o'clock.

Recent forums have been:

Aug. 1: A. L. Wirin, Counsel, Civil Liberties Union. Aug. 8: Alfred M. Bingham, Editor of "Common Sense." Aug. 15: Arthur L. Marvin, Assistant Corporation Counsel. Aug. 22: Walter Weis, Organizer, City Fusion Party. Aug. 29: Francis X. Giaccone, Deputy Fire Commissioner. Sept. 5: Senator Royal S. Copeland. Sept. 12: Dr. Harry W. Laidler, League Industrial Democracy. Sept. 19: Mendel N. Fisher, United Palestine Appeal.

While these speakers and their subjects do not always lend themselves to discussion of economics, Mr. Ingersoll's questions usually

secure this result. His introductions are even more effective in this respect.

The following are typical of his questions:

(1) The great opportunity of Palestine is to demonstrate what the whole world is breathless to see, that its landlords are its only exploiters and that they are so few as to make only an imaginary opposition.

(2) You have taken 400,000 wealth producers to Palestine; if they are worth as much "per head" to your land owners as are our 7,000,000 to our Astors, Goetts, and Trinity Church, you have presented them with 800 millions dollars worth of land values. Are you getting credit for that against your further purchases of land?

(3) Speaking of Birobidjan, where a large territory, probably the equal of Palestine, without any Arab or English landlordism as a handicap, will be deeded to the Jews, have you considered the *economic* handicap to you, of this allurements of Soviet Russia?

(4) Do you not think that this "gesture" of Russia should be so presented to England as to compel her to force her Arab (and other) landlords to let go in Palestine?

Mr. Ingersoll's current weekly schedule follows:

Mon., 2:30 p. m., WCNW; 11:15 p. m., WWRL; Wed., 3:45 p. m., WCNW; 6:00 p. m., WBIL; Thurs., 8:15 a. m., WLTH; Fri., 1:00 p. m., WDAS (Phila.); 3:00 p. m., WSNJ; Sat., 11:00 p. m., WWRL; Sun., 4:00 p. m., WBIL Public Service Forum Hour.

Radio Broadcasts

BY CHARLES H. INGERSOLL

OUT OF THE FLOTSAM AND JETSAM OF LEGION CONVENTIONS AND PATRIOTIC TALKS, including plenty of platitudes with long whiskers, comes this statesmanlike paragraph from the head of all the legions, Mr. Colmery. He is responding to the demand that the legions stop wars. "Why cannot an intelligent and accurate survey be made of the natural resources need of all nations, and a programme of solution be evolved?" These few words are worth more than all the speeches reported, and they match up with what has been demanded by several leading authorities on world affairs, and especially what caused war.

WHY DO I SAY THE SUPREME COURT'S ONLY JOB IS TO DEFEND THE CONSTITUTION, and that its only job is to defend private and public property rights?

Because, while private and public "property" is about equal in value around 200 billion dollars each in the country—the public half not having had any protection from Court or Constitution, is absorbed by racketeers; not being used for social or public purposes, government, is supported by 15 billions of taxes squeezed from the masses, the workers.

This cuts their wages in half, slows down the factories and makes millions of unemployed compete against each other for starvation wages, makes labor civil war, and "poverty amid plenty"—all because it was no one's business to protect public property rights. Exactly as our courts generally are kept so busy with the petty criminals that the big ones get very little attention.

The size of this job of keeping speculators and monopolists from taking any of the publicly created values in lands, in natural resources, and franchises, is enough for any court; and restoring this lost half of the earnings of both labor and capital will make easy the settlement of many confusions that now leave all courts with no time for fundamental questions.

UNCLE SAM IS NOW AFTER THE COAL MEN OF PENNSYLVANIA, demanding that they forthwith agree among themselves on minimum prices, according to the formula of the famous Guffey Act. This is the one that provides for higher wages and other costs of production

and for the ultimate consumer to cheerfully pay all the increases. This process has been in vogue from time immemorial; but it remained for the Guffey new deal type of statesmanship, to write it into the law of the land. Meantime, of course, the collectors of big royalties on the rich coal lands, and other minerals, keep on collecting.

Protection or Free Trade Manualized

THE School announces the publication of a manual for "Protection or Free Trade." The demand for additional courses by graduates of the course in Fundamental Economics has been met by a six lesson course in the principles of international trade, based on the classic on this subject by Henry George. Heretofore this course has been given by various instructors without the aid of formal questions. Each instructor depended on his own notes. These notes formed the basis of a series of questions and answers, which are incorporated in the new manual.

The course in "Protection or Free Trade" is offered only to those who have studied "Progress and Poverty," and is intended primarily for prospective teachers. In his book on international trade George gives a demonstration of how an economy based upon interference with natural law must result in an incongruous and anti-social situation. Thus the study of fundamental economics in "Progress and Poverty" is reinforced by a study of their application to a false fiscal policy. The last chapters of "Protection or Free Trade" are particularly effective as a review of the students' knowledge of the philosophy of a free economy.

The "Protection or Free Trade" Manual is offered at thirty-five cents.

PRICE OF TEACHERS MANUAL REDUCED

The first printing of the third edition of the Teachers Manual is nearly exhausted. A new printing will be ordered this month. Since the cost of composition will be eliminated, it is possible for the school to reduce its price of the Manual from one dollar to thirty-five cents.

This new price goes in effect on October 15. In ordering the Manual please stipulate that you want the Manual on "Fundamental Economics" to differentiate from the new Manual on "Protection or Free Trade," which is offered at the same price.

WHAT is by nature the common birthright of all, we have made the exclusive property of individuals; what is by natural law the common fund, from which common wants should be met, we give to a few that they may lord it over their fellows. And so some are gorged while some go hungry, and more is wasted than would suffice to keep all in luxury.

THE LAND QUESTION, BY HENRY GEORGE.

Landlordism

BY JOSEPH S. THOMPSON

IF your house were on fire and your piano needed tuning, to which would you telephone first: The Fire Department or the piano tuner?

If a sane, intelligent ism-less means for ending our economic distress were at hand and a host of futile panaceas were also before you, which would you choose: Ending your evils or poulticing your wounds?

If you were laboring, struggling, striving and failing under an ism that was certain to keep you in misery, why would you care if you were threatened with Communism or Fascism or Bolshevism in exchange for your present ism?

Well, your house is on fire and the remedy is at hand and you are struggling against as miserable an ism as any that you fear, so why don't you wake up Mr. Business Man and Mr. Professional Man and Mr. Farmer and Mr. Working Man and Mr. Artist and Mr. Artisan and Mr. Merchant and Mr. Inventor and all you Misterys who have ideas and products and services to sell or provide, and who do good work and who ought to be well rewarded for it!

For the ism you labor under is *Landlordism*' And *Landlordism is respectable racketeering*.

And the remedy, so simple, so long before us, so thoroughly explained and so clearly described (with the burdens and woes due to ignoring it, so marvelously prophesied) is simply this:

Meet publicly created needs by publicly collecting publicly created wealth. Leave privately created wealth in the hands of those creating it.

And what is publicly created wealth? And what is privately created wealth?

Publicly created wealth is the value of the land; privately created wealth is money earned. Only the presence of the people can give value to land. The value appears in rent that rises in proportion to the numbers of the people. *Put that rent in the public treasury.* Stop taxing homes. Stop taxing industry. Stop taxing the fruits of labor and of genius. Stop taxing anything unless you want to destroy it. A tax is a fine. Get your public revenue from the value you publicly create.

We own our United States. We Americans. We surely own our own country. You don't own it. I don't own it. But WE do. And we prove it by taking a part of the land rent that we create in the form of a tax. And if the holder doesn't pay the little portion we now take he forfeits the land. *But we let landlords who give nothing take the most of it* and then we burden ourselves in our capacity as industrialists and workers and capitalists, and in all other forms of serving our fellows by taxing ourselves to make up the money they get for letting us live in our own United States.

Yes. As capitalists. We need capitalists. Men who work and build and save and plan are capitalists. A capitalist is a man who saves his money and puts it to work. But if we were wise and took all the land rental value we create no capitalist would put his savings into land. We do not need the aid of capital to furnish land. We do need the aid of capital to prepare it sometimes. And we need the aid of capital for many things.

It was not Capitalism that spurred the Russians to bloody revolution. They have little capitalism in Russia. Almost none. Try to think of some big Russian Company. The railroads belonged to the state. *What murdered them was landlordism.* The privilege of a few to tax for their private use. The Russians happened to read Marx instead of Henry George, and mistook *Landlordism* for capitalism.

But capital invested in the privilege of collecting the public revenue is money paid for the right to hold us up. Nothing else. No matter how time-honored the custom of permitting some of us to trade in the right to collect land rent, a public revenue, it is different in form only from giving the privilege of trading in black-jacks or machine guns for the "protection" racket. In what one of its effects on commerce and the public good does collection of land rent differ from collection of protection? In what way? What service does the landlord perform? What service does the racketeer perform?

Landlordism is the father of all monopolies. Why do we rage so about public utilities that absorb three per cent of our income and furnish something for it, while we supinely agree to *Landlordism* which absorbs thirty per cent and gives nothing? And regulated utilities could give cheaper service if their equipment were freed of taxes.

Like *Landlordism*, taxes are a heritage of the ages of man's ignorance. There should be no taxes. A tax is a fine. In what way do they differ? To tax a man is to take part of his money to pay public expenses, whether he wants to pay it or not. Yet that same man by his presence alone has made the land rent just that much greater than it would be if he did not exist, be he a great business executive, a great professional man or a day laborer.

We Americans get along pretty well with private initiative. We have rewarded many men who have put things at our disposal. We need them. We set our individual hopes by them. A fine architect ought to get rich. A fine doctor ought to get rich. An author who pleases. A toolmaker. Why not?

But are we so dumb that we cannot discern the difference between reward for service and reward for useless privilege?

Are we so damned dumb that we are going to let ourselves murder each other into Communism or Fascism to protect our stupid practice of pouring public revenue

into hands that do not earn it and tearing its equivalent from private hands that do earn it?

Private enterprise deserves a reward, provided it isn't the enterprise of the hold-up man. There should be rich people if their riches are secured by furnishing something that people want and that they produce out of themselves. Brains should be rewarded. Brains that serve and create are the only thing of value in the world. The public does not begrudge a rich reward for brains that serve, and we need not fear brains, for men of true intellect do not prey upon their fellows.

Values created by individual thought and labor should stay in the hands of that individual. Values created by the cooperation of groups should remain in the hands of those groups. *But values created by the public should remain in the hands of the public!*

One concrete instance: San Francisco's largest office building is the Russ Building. Capital built the Russ Building and deserves a reward for placing so fine a structure at the disposal of the people of San Francisco. But that capital is having a hard time and is not getting its reward. The capitalists who built that building pay taxes. The tenants pay taxes. But the capitalists will lose their reward and their capital too if they fail to continue to pay the *ground rent* (\$120,000.00 per annum) of their ninety-nine year lease. The ground rent to the Russ estate for the privilege of existing in San Francisco. And what does the Russ Estate do for them with the money? It pays a fraction of it in taxes. The balance may stay here but probably goes elsewhere. True it may have *bought the right** to levy tribute on the building, and to say to San Franciscans "Before you step on this part of your city, pay here!" It bought a right that is not a right. It is a privilege born of public stupidity. And just as the purchaser of stolen goods loses them without recompense when the owner discovers them, so should the public take back its self-created value by levying a charge for rental against all the land to the full extent of its yield. And take its collective hand out of the thinker's and the worker's private pocket.

The private collection of land value or publicly created income is *wrong*. The public appropriation of privately earned income is *wrong*. As long as we cherish and protect something dead wrong in our economics—*Kill your pregnant pigs! Dole your dole. Plough in your wheat. Putter, Peck and Dabble, but don't expect to go ahead.* The Free Land is gone.

THE burden of municipal taxation should be so shifted as to put the weight of taxation upon the "unearned rise in the value of the land" itself, rather than upon the improvements.—THEODORE ROOSEVELT.

* Russ bought the site of the Russ Building for \$37.50!—Vide S. F. Chronicle, Oct. 8, 1932.

Widows and Orphans Don't All Own Land

BY FRANK CHODOROV

A WIDOW showed me a letter she had from her broker, asking me to translate a long and detailed "letter to bondholders."

Her husband had left her a bond on a theatre in Seattle. The theatre's affairs were being handled by a bondholders' committee. This letter was their report on conditions.

The committee had leased the building to an operating company on fair terms, and had closed with the film producers for first-run pictures. During the first six months of this set-up the new lessee had paid his rent, an amount that would have permitted the payment to bondholders of a small dividend—if. The "if" was a landlord who had leased the grounds to the original builders (the bondholders) at ten thousand dollars a year. The rental received from the lessee of the building, based on the volume of business done, was not sufficient to pay for certain necessary repairs, after paying back rent on the ground lease. As the landlord was threatening to foreclose, the committee deemed it wise to pay him and to defer making the necessary repairs. But, as the building lease required the committee to keep the theatre in such condition as to meet with the requirements of the city, fire and health departments, there was some danger of the lease being broken.

Let's analyze this picture. The bondholders had built a theatre building. In so doing they had called forth labor—bricklayers, carpenters, bookkeepers, railroad men, miners, doctors and dentists. All these workers produced a building that enhanced the beauty of the neighborhood and provided a place of amusement for the citizens. Each of these workers received his share of the new wealth created in the form of a theatre; that is, each received wages. When the building was completed more workers had to be employed: ushers, charwomen, moving picture operators, managers, electricians. These bondholders had by their enterprise created an endless chain of opportunities for labor to produce—not forgetting the labor of musicians, actors and scenario writers.

But, before they could do all this they had to agree to pay a landlord ten thousand dollars every year for a long time. For this the landlord gave nothing except permission to go to work. Any way you try to gloss it over, what the landlord gets is tribute, blackmail, loot. For he gets something for nothing. He is therefore a thief; legalized, it is true, but nevertheless a thief ethically.

Among the bondholders was an honest working man who, solicitous for the welfare of his wife and child, put his

savings into this business enterprise so as to assure his loved ones of an income when he had gone. His savings, or capital, is part of his labor. It is wealth which he created by his effort, and he is entitled to a return on it if it is so invested as to enable workers to produce more wealth. This return on his accumulated wealth we call interest, but it is in fact only deferred wages. Without this investment the myriad of workers called into productive action in the construction and operation of the theatre may have been idle; as far as this enterprise is concerned they would have been idle. Therefore, capital served. Just as the worker is worthy of his hire, so is capital worthy of its hire. Payment for the use of capital is justifiable, and interest is sanctioned in moral law just as it is inevitable in economic law.

When the honest and thrifty husband bought this bond he may not have known that its safety was jeopardized by that bird of prey—the landlord. It makes no difference whether he did or did not know. There is no desirable foot of land in the entire country to which capital and labor can find access without paying toll to some landlord. Whatever enterprise he might have selected for investment would have been subject to tribute payments to a landlord. It is inevitable.

The husband dies. No doubt his last thought is for his loved ones, and his leaving is made easier by the recollection that he has provided for their livelihood. But, while he did protect them against the wolf of poverty at the front door, he did not protect them against the rapacious fox of landlordism at the rear door. He could not have done so had he tried. Not so long as the private ownership of land is legalized.

For a few years the widow received her dividends. Then came the depression, brought on by landlordism, people cannot afford to go to the theatre, ushers are laid off, less electricity is needed, charwomen are dispensed with, building repairs are neglected, wages are reduced, dividends disappear.

But the landlord must be paid. And the bondholders' committee makes a frantic effort to save their investment by reorganizing the venture, voluntarily taking a loss on their capital, so that the enterprise can be continued, labor can be employed, wages paid, and perhaps some dividends may eventually be paid. Also, mind you, there is the danger that the landlord may take away their building; he has a legal right to do so if they fail to pay him. Eventually they do manage to make some arrangement that will result in enough income to either pay labor for necessary repairs or pay the landlord what he has a legal right to demand. They have no choice. Labor must go idle. And the widow must hope that eventually there may be something for her, as her loving husband intended.

That's what I told her.

Victor Moore Made Rich by Vacant Lots

REFUSES \$250,000 FOR JACKSON HEIGHTS LAND
HE DID NOT WANT TO BUY

BY LANCASTER M. GREENE

VICTOR MOORE, sentimental film actor, might well be called a rich man, and a big share of his money can be attributed to six lots in Jackson Heights, which he purchased years ago for \$8,100 and for which he refused to take \$250,000 because those vacant lots of twenty years ago, are worth a great deal more than the offer made. They front on three streets, have a subway station in front and are in a spot where every chain store organization seems to be eager to locate. According to the story in *The American Magazine* for October, entitled "Gentle Victor," an actor who sold real estate on the side made him buy the lots.

"I had been able to shoo him away," Victor said, "for the very good reason that I didn't have any money. One morning he came to me and said an aunt of his had come all the way from Washington to bet on a horse that was sure to win. He said if I'd bet \$300 I'd make enough to buy the lots.

"It sounded pretty good, so I hocked my wife's diamond earrings for \$300 and went out to the track. The horse was quoted at 16 to 1. That scared me. It was too much for a long shot, so I bet only \$50. And the horse won!

"The real estate man was waiting when I got the \$800 from the bookmaker. That was the first payment on \$8,100 worth of lots. After a good many years I paid for them. Once I tried to sell them for \$20,000 because I needed money to bet on a horse, but nobody would touch them."

The city cut two streets through the section, one on each side of his lots, and when it had finished building a subway he found a station constructed at one side of his land.

Those vacant lots without effort on the part of Victor Moore have been increased in value from \$8,100 to \$250,000 by community activity. Victor is enabled to collect rent produced by society.

Economic Effects

THE economic effects of rating land values are exactly the opposite of those flowing from the rating of improvements. To the extent that buildings and improvements were exempted from rating the cost of occupation of them to the occupier would be reduced. This would be of special advantage to the smaller occupiers who have to pay a considerable portion of their income in rent, and who, therefore, under the existing system have to pay a disproportionate share of local taxation. If buildings were completely unrated, the problem of providing

accommodation, at rents they could afford to pay, for those who at present are living in overcrowded or insanitary accommodation would be greatly simplified.

As a rate upon land values would fall upon land according to its full market value, and would fall upon land irrespective of whether it was used or not, it would discourage the holding of land out of use or badly used. It would stimulate the owner either to use it himself or to let others use it who were able and willing to do so. By thus discouraging the holding of land idle it would tend to reduce the price or rent charged for land.

The general effect, therefore, would be to encourage production, both by securing that land could be obtained at more reasonable rents or prices and by exempting from rating the buildings and other improvements made on it. It would therefore tend to a larger volume of productive employment.

It should also be observed that a rate on land values cannot be shifted by owners of land on to tenants. This is one of the few propositions in economic science upon which there is general agreement. The reasons for this are almost self-evident. Rent is determined by supply and demand. The imposition of a rate on land values does nothing to reduce the supply of land and so enable the owner to get a higher rent. On the contrary, as it stimulates the bringing of vacant land into use and the provision of more accommodation, it tends to increase the available supply of land and to reduce rents. Hence the rate cannot be shifted by increase of rent.

The Rating (Taxation) of Land Values.

By F. C. R. DOUGLASS, London, England.

THAT amid our highest civilization men faint and die with want is not due to the niggardliness of nature, but to the injustice of man. Vice and misery, poverty and pauperism, are not the legitimate results of increase of population and industrial development; they only follow increase of population and industrial development because land is treated as private property—they are the direct and necessary results of the violation of the supreme law of justice, involved in giving to some men the exclusive possession of that which nature provides for all men.—PROGRESS AND POVERTY.

THERE is no place in the thinking world where Henry George is not still read; where he has not followers. He is inextricably woven into the liberal thought of the world.—IDA M. TARBELL.

MANY politicians of our time are in the habit of laying it down as a self-evident proposition that no people ought to be free till they are fit to use their freedom. The maxim is worthy of the fool in the old story who resolved not to go into the water until he had learnt to swim.—LORD MACAULAY.

The Wonder of it All

VISUALIZE, if you can, an educational institution (which actually exists) endowed with one hundred and thirty millions of dollars and embodying buildings worth thirty million dollars more. Visualize its personnel of four thousand employees, including one thousand professors and instructors. Add to the picture nine thousand students. Towering above it all, fancy that you see an institutional president possessed of "scientific imagination" with the ability to "peer ahead into those shadowy regions where facts are missing and progress is made by groping"—one who knows all about the mysterious stuff that makes grass green.

Forget, for the moment, all about the multiplicity of similar institutions which lie scattered round about this lop-sided earth.

The question is: How, with the potential power expressed in these millions and millions of dollars—with the potential power packed into one thousand super-intellec[t]s, three thousand assistant-intellec[t]s, and nine thousand inquisitive intellec[t]s, how was the "depression" of 1929-37 able to elude all this power—how has Single Tax escaped detection during the "peering into those shadowy regions where facts are missing and progress is made by groping?"

—THOMAS N. ASHTON.

IT is a depressing thought—or isn't it?—that in a world made free, or what—(with a flash of insight)—Lenin called "a free economy," that about nine-tenths of the literature of the world will cease to have any value. The little that will remain is that which enshrines pure art. A good deal of poetry will survive, a small percentage of the philosophy, few of the works of fiction, and little of the works of religion and theology. All the works on political economy, save only the writings of Adam Smith and Henry George, will be relegated to the dust heap.

In this there is nothing to regret. Writings without thought have no value in themselves. It was Solomon who said that "Of making books there is no end." That was so in his day and not so much as a bibliography of the contemporary books of Solomon's time survive. A like fate awaits the books of today. Every book that is forgotten is so much gain because the forgetfulness that has overtaken them prove they are best forgotten.

Miscellany

WHY LABOR'S FIGHT IS FUTILE

Strikes are inconclusive and futile because they deal merely with surface issues, on the assumption that the merits of these controversies are simply between "capital and labor." No light is being thrown on the subject by anything which labor leaders or business men are saying today. Moreover, the struggle is deliberately carried

up to the point of irreconcilable divergence of interest by the current Marxian philosophy, which openly proclaims class war leading to the downfall of private enterprise, and public ownership of productive capital. Marx's book, *Capital*, pillories the business man, and knows nothing about the great fiscal compromise on which modern parliamentary government is based, according to which the main tax burden is loaded upon manufacture and commerce.

This compromise is now in slow process of reversal by Great Britain, "the mother of parliaments." Along these lines the logic of modern history is moving, and hence the struggle between capital and labor is a false alarm which obscures the underlying problem of civilization. The whole subject of industrial relationships will continue to be plunged in the darkness that now surrounds it until the real nature of the social-economic problem is recognized not only by labor and capital, but by the general public.

LOUIS WALLIS in the *Christian Century*.

SIGNIFICANT WORDS FROM PRESIDENT LINCOLN

"It is not needed, nor fitting here (message to Congress in re the civil war) that a general argument should be made in favor of popular institutions; but there is one point, with its connections, not so hackneyed as most others to which I ask a brief attention. It is the effect to place capital on an equal footing with, if not above, labor, in the structure of government. It is assumed that labor is available only in connection with capital; that nobody labors unless somebody else, owning capital, somehow by the use of it induces him to labor. This assumed, it is next considered whether it is best that capital shall hire laborers, and thus induce them to work by their own consent, or buy them, and drive them to it without their consent. Having proceeded thus far, it is naturally concluded that all laborers are either hired laborers or what we call slaves. And further, it is assumed that whoever is once a hired laborer is fixed in that condition for life.

Now, there is no such relation between capital and labor as assumed, nor is there any such thing as a free man being fixed for life in the condition of a hired laborer. Both these assumptions are false, and all inferences from them are groundless.

Labor is prior to, and independent of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration. Capital has its rights, which are as worthy of protection as any other rights."

(Abraham Lincoln in his message to Congress on Dec. 3, 1861.)

FROM AN INFLUENTIAL FARM JOURNAL

The tendency for all increases in income to be absorbed in land prices must be generally recognized, as economists have recognized it for over a hundred years, and steps must be taken to prevent it, if we are to have a permanently prosperous and unburdened agriculture. The remedy that preserves private possession and fits in with a free economy—the remedy now being advocated in Denmark—is to place all taxes on land values.—*Nebraska Union Farmer*.

A POINT OF VIEW

ON SITDOWNS

Nobody, says everybody, ever made any money just sitting around, and that sounds reasonable, too. That is, it did until a few minutes ago, when my old friend, Jim Soandso, told me of a Chicago citizen, who acquired a five-million-dollar skyscraper by doing nothing but sitting around long enough.

The way it happened was something like this. A long time ago, when Chicago was still a straggling string-town on the lake, a white

man with a rifle under his arm took a stroll into the wilderness, now known as the Chicago Loop.

This enterprising white man with the rifle saw an Indian sitting on a corner lot and when the Indian came to, his soul was eating jerked beef in the Happy Hunting Ground. That done, the enterprising white man sat down on his lot and when inquisitive folks asked him, "How come your lot?" he pointed out the dead Indian with his gun and proved it.

Well, this enterprising white man kept sitting on the lot. And the more people came and inquired about the price of the lot and the harder the man sat down on the lot, the higher went the price of the lot.

This went on until one day the man laid down on the lot, gave up his ghost and went home to his rewards, whereupon his son sat down on the lot, preliminary to collecting the reward his father had earned by abstaining from doing anything but sitting on the lot.

And there he sat until about eight years ago a man came along who offered the man on the lot goodness knows how many thousands a year on a 99-year lease for getting off the lot. So the man got off the lot and the man who leased the lot built a five-million-dollar skyscraper on the lot.

But when the skyscraper was finished hard times came along. Thereupon, some of the tenants stepped out of upper story windows, others went out by the doors and forgot to come back, while the rest stayed, but didn't pay rent. The upshot was that the man who had leased the lot threw up the lease and the man who had sat so long on the lot took it back with a five-million-dollar skyscraper sticking to it.

Think of it, making five million dollars cold cash on an investment of a pinch of powder, an ounce of lead and a lot of patience! And yet, there are people claiming there is no money in sitdown strikes.

(Oscar Ameringer in *The American Guardian*.)

DR. EDWARD MCGLYNN

Old and bitter controversies may possibly be revived by the publication on Sept. 25 of Stephen Bell's "Rebel, Priest and Prophet: A Biography of Dr. Edward McGlynn" (The Devin-Adair Company). Dr. McGlynn was an advocate of the Single Tax theories of Henry George and the founder of the Anti-Poverty Society in New York. His fiery oratory stirred up such a tempest as New York has seldom seen. His Archbishop removed him from the pastorate of St. Stephen's, the largest Catholic church in America. Later, after he had three times refused to go to Rome to answer charges brought against him, he was formally excommunicated. Some years later he was reinstated as a priest without having to retract a single doctrine. Although Dr. McGlynn died thirty-seven years ago, he is still remembered, by some as a pestilent trouble-maker, by others as a saint.

New York Times Book Review, August 22, 1937.

THE RAT HOLE

If every time you opened your pocket book to buy a dollar's worth of anything, 40 cents fell out and went into a Rat Hole, would you have any trouble to account for your poverty? This Rat Hole represents those 53 taxes that are wrapped up in every loaf of bread, 23 in every pair of shoes and only God the Father knows how many in a suit of clothes.

And there are other Rat Holes like the Protective Tariff that do not take the loot into the public treasury to fatten tax-eaters but carries it into private pockets to build up millionaire fortunes. Still another Rat Hole carries loot to the "Landed Gentry" who believe themselves to be the rightful owners of the planet earth "and the fullness thereof" though everybody else knows the Holy Scriptures teaches the contrary. It was to get rid of these rat holes that Henry George wrote "Progress and Poverty."—HORATIO.

EPITOME OF THE BIOLOGIC REFUTATION OF MALTHUS

In any type of organism, the greater the perils of its existence and danger of extinction, the more essentially prolific it becomes. A plant cut down in mid-season springs up again only to bear seeds.

Those animal forms the conditions of whose existence include the greatest hazards bear the most numerous young. Those states and conditions of society in which men are most likely to perish make them most prone to reproduce. It is nature's lesson and nature's law that reproductivity shall diminish as subsistence and security increase. Nature strives ever for the higher organic forms, and as she achieves quality and value and beauty, she casts aside that quantitative prudence by which she leads herself to these.

SPENCER HEATH.

A POTENT ARGUMENT FOR THE SINGLE TAX

The story of the Guggenheims is a potent argument for the Single Tax. They became wealthy because of the silver, lead, copper and other minerals which lay in the ground.

New York Herald Tribune Book Review, August 15.

JAMES P. KOHLER IN BEATRICE NEWS

When Columbus arrived on the American shores he stuck the flag of Spain in the soil and claimed it all for Ferdinand and Isabella; when Cabot sailed along the New England coast he stuck the English flag in the soil and claimed it all for England; when Cartier sailed up the St. Lawrence he held the French flag aloft and claimed it all for France. After these three nations had driven the Indians back over the mountains they started in to fight for the ownership of this newly discovered land and England won out. James I of England deeded the great state of Pennsylvania to William Penn and his heirs forever (a fee simple or absolute in law). He gave to his brother, the Duke of York, the entire state of New York, to him and his heirs forever. All that came after, by birth here or by immigration from elsewhere, had to pay some tribute to the Penns and their heirs and to the Duke of York and his heirs, and the descendants of the latter are paying to the descendants of the former, or their assigns, tribute called rent for living on the earth, for the use of the land which God Almighty intended for all his children, and which Moses in his time decreed should not be sold, but should be held for fifty years' use only. "The land shall not be sold forever." The land in these United States is of inestimable value. From it can be collected enough taxes to pay all the expenses of government.

From an interview with JAMES P. KOHLER in *Beatrice* (Neb.) *News*.

Correspondence

RENT AND PRICE

EDITOR LAND AND FREEDOM:

I see that Mr. Beckwith still holds that rent is part of price and goes still further by saying it is not connected with land; also, he states that rent is a cost item.

He states in "No Taxes," May 24, 1937, "The idea that we can escape the cost of a service by having the public install sewers, build highways and bridges, develop ports, etc., and then pay for all this in rent instead of paying for this directly, is fantastic."

But here he is dealing with effects, not causes. Public improvements and private improvements are the result of labor, and the return of labor is wages. We may find the same public improvements in a small city or in one part of a large city as in another, but the land value will be many times greater in one place than another, both having the same public improvements and services. Why is this?

Henry George gave us the cause in the beautiful Story of Savannah. Two men working together can build two houses in less time and with

smaller expenditure of labor than they can build the two by each building one separately.

As population increases it brings many advantages, saving in transportation by having markets all around or close at hand, amusements at less cost, larger turnover of goods, etc., with less labor and time, best of skilled workers, and the many other advantages which make for a greater division of labor and saving in the cost of production. It is this saving, when not absorbed by taxation, that makes the cost of goods, building industries and private and public improvements cheaper; and, on account of this saving in time and labor, people try to get where this advantage takes place. And it is this advantage that gives rise to land values or rent and not the improvements. It is the saving that increased population creates, and not what it does, that brings about an increase in land values.

When the government collects this value, which we refer to as rent, then those, who have the advantage by holding the more valuable sites, lose that advantage by reason of the Government collecting a higher rent. And when the government returns the rent to all the people in public improvements and services, they have lost nothing; for the public improvements and services cut down the cost of production to the amount of rent gathered; provided, of course, that the expenditure be made to the best advantage. To do otherwise would violate natural law.

When, by the increase of population, a greater number of people come into association with one another, it makes for this great saving. And, out of this saving, it is possible for society to make great public improvements and produce a greater amount of wealth with less time and effort. Public improvements result from this saving—the saving is the cause of public improvements, not the effect. This saving makes it possible to gather from the earth material to work up into a greater amount of wealth with less time and effort. The greater the saving, the higher land values, and the cheaper the improvements.

The nearer we come to the law of justice by recognizing every individual's equal right to the use of land, then the nearer we come to freedom to produce, which, with freedom to exchange, is all that the natural law calls for. Then, with this saving, an ever higher standard of living will follow under the full Single Tax. When the rent is gathered in accord with the natural law by the State, and given back to the people in public improvements, services, etc., it becomes a method whereby we equalize the advantage to the use of land, and has nothing to do with price or costs. The only price we pay for wealth is the effort we make, mental or physical, to extract it from its source, and to shape and fashion it to satisfy human desires. To talk about money price, consumption, etc., is to get away from fundamentals, which confuse thought by leading the mind away from the base upon which price and wealth are grounded.

To be in accord with natural law by freeing all land brings a greater production of wealth, which, in turn, makes it possible to bring in other branches of science, which make an ever greater advance in the arts and sciences in the production of wealth. This results in a saving additional to that brought about from increase of population and, thereby cuts down still further the cost of production. And, with just distribution, makes a greater effective demand for the source of wealth or land, which results in higher rents.

And, as we draw a greater amount of wealth and a higher standard of living from land by less effort, then, to that extent, land becomes more valuable to us. And, as I have stated before, when this increased value is picked up one place and distributed to other places in public improvements and services, thereby making the advantage to the use of all land equal, it does not change price or cost. To say that rent is for any other purpose is to forget about land, and that is taking our feet off the ground.

Why Mr. Beckwith continues to defend Mr. Jorgensen in his contention that rent enters into price, is more than I can understand. I am not a philosopher, much less an authority, but when anyone tries to correct George, I want him to prove his problem in a

scientific manner by separating cause and effect. Anyone taking Henry George to be infallible is not a Henry George man, for George's work calls for everyone to use his own reason and not to rely on authority. Jorgensen, in his book, "Did Henry George Confuse the Single Tax," page 79, states: "George switches from the rent question to the land question." When we forget about or lose sight of land, we are lost, for land is the foundation of all structures—social as well as material.

On page 81 of his book, Jorgensen states: "Moreover, most vacant land above the margin can also be had today by whoever will pay the title holder a rental which is no higher probably than what he would have to pay the government under the full Single Tax." But, right here, he fails to state that the government returns this rent to the people; not so with the title holder. He still further fails to state that, under the full Single Tax, taxes are removed on the cost of improvements and living, which is not the case when the title holder gets it.

Now, anyone with a little reason can see what happens to speculation of land values and rent under our present system with people making an effective demand for land. Rent or land values go up from rumors of a demand for land before the demand for land actually takes place. Our stock and bond markets will prove this. On page 77, Jorgensen further states: "The theory that low wages are responsible for lack of purchasing power is absurd because it is confusing cause and effect." And, in his Instructor's Manual, page 14, he teaches that it is lack of consumption that is the cause of unemployment. And, in his book, page 93, he goes on to say: "The lack of purchasing power is not the result of low wages and unemployment," and continues: "On the contrary, low wages and unemployment are the result of the lack of purchasing power." But Jorgensen fails to state what purchasing power is, and where it comes from. Does he hold it comes from greater consumption? If so, how can people purchase with what they consume?

George states purchasing power comes from production which is the result of labor, or the returns of labor, which are wages. High wages mean greater production, low wages mean less production, less production means less demand for labor, or lower wages. The people, directly or indirectly, exchange or purchase with what they produce and the return of production is wages—the greater the production, the higher the wages. Money is only the medium of exchange.

With all this Jorgensen is badly confused and builds all his reasoning on effects instead of cause—for cause comes first. There never was an effect without a preceding cause. Now, then, if consumption is the cause, as Jorgensen states, then consumption precedes production. Which is to say, that we consume wealth before we produce it. For, it must ever be borne in mind that a mere desire to consume does not constitute consumption. But, if production comes first, as Henry George states is the case, then we must produce before we consume. The greater the production, the greater the demand for labor, and the greater the demand for labor, the higher the wages. When George says that where land is locked up against labor and capital through private property in land, which causes speculation, it then causes unemployment and low wages. He goes on, "It might be on the other side of the world, but the effect will be felt in our industries here by a lack of orders for goods."

Henry George is correct in tracing the cause of unemployment to lack of production caused by denying labor access to land. If the Central States were wild and open for settlement and free today, people would flock there by the millions, and unemployment would soon be a thing of the past, as it was when land was free. But the Single Tax would make all land free, and our lands now held out of use would be open to labor and capital. And, with the price of goods coming down by removing taxes on them directly or indirectly, production in all lines would tend to increase. Then, who would work for less than he could get by making himself useful on free land? The productive power of marginal lands establishes the minimum wage

level. And, as clear as George has proved this, Jorgensen and Beck-with do not yet seem to understand this natural law, and at the same time talk about science and cause and effect.

Labor applied to land produces all wealth; wealth is stored up labor; capital is that part of stored up labor or wealth used for further production. Rent plays no part in producing wealth. The reason, under our present system why one receives part of the wealth as rent without labor, does not change the cost of producing it, and has nothing to do with price. But it does cut down the amount left to those who produce it, and to that extent cuts down their wages. When rent is gathered by the state, instead of the title holder, and returned to all the people equally, and doing away with all taxes, it then leaves the full production to the producer.

The collecting of the full rent under natural law plays its part in freeing to all the source of all wealth. Free trade, supply and demand, and competition play their part in a just distribution of wealth. We cannot collect the full rent for the people without equalizing the advantage to the use of land, which is fair and just to all. And, we cannot be fair and just to all without being in accord with the moral law. And, we cannot apply this without being scientific. Therefore, the science of political economy and the moral law are inseparable. When we recognize man's equal right to the use of land, and his right to freedom in the exchange of the products of his labor, we will have less trouble to find the correct answer to this problem. With a just distribution of wealth, consumption will take care of itself.

Henry George says: "Justice seems to be the supreme law of the universe," and, when obeyed, makes it possible for all branches of science to come to the surface so that they can work in harmony with people's knowledge to the good of all, and make for an ever increasing advance in civilization. Justice is the moral law and, when obeyed, will light the way to bringing us safely to a more beautiful life here and hereafter. Those who see effects and not cause will not agree with Henry George. Henry George is not here to defend the truth he tried to make clear. For all that he does not need to be, for, as near as I can see, his work is sound and unanswerable and airtight against the feeble attempts made to disprove it.

As I am a student, I stand to be corrected.

Milk River, Alberta., Canada.

J. B. ELLERT.

RISK NO PART OF INTEREST

EDITOR LAND AND FREEDOM:

As previously stated interest is the increase produced by labor when it uses capital over the same labor not using capital. Both capital and interest are always tangible. The lender's compensation for the temporary loss of use of capital is only a part of interest. The lender cannot equitably claim any part of the net increase of production (interest) which is the result of the labor of the debtor using the borrowed capital.

Compensation for risk is often confused with interest and by some is held to be the sole justification for any return to capital beyond replacement. Risk has nothing whatsoever to do with interest. While the element of risk is present in all loans, compensation for risk is a separate item. Another element is compensation for handling, viz., labor expense. Charges for risk and handling might constitute the entire return for the loan with no element of interest whatever. The proportion of the risk plus the expense to the capital loaned, is the ratio or loan rate. If the demand for capital in relation to the supply warrants a return, interest would also appear in the loan rate.

Both capital and interest being tangible, loan compensation is tangible. Obviously an interest payment in a tangible would be clumsy and primitive. A manufacturer to expand plant equipment by one hundred machines, or a railroad needing one hundred additional locomotives, would experience considerable difficulty if borrowing were attempted in units and more difficulty when repayment had to be made with one hundred plus additional machines or locomotives

as interest or loan compensation. Such transactions, and only in a very small way, could have taken place previous to the invention of a measure of value and later of a medium of exchange. Both are combined in one by the invention of money.

Developing from remote antiquity credit, money, bills of exchange, checks, drafts and banking services are facilities which greatly simplify exchanges but they are not capital.

How then have they become confused with capital? When money is borrowed or a credit established, an obligation is incurred and an expense involved, but cash "in the till" earns nothing, nor does money ever earn anything. Money or credit must be converted into tangibles. It must be invested and if earning power is the objective, it must be invested in capital which in turn must be used by labor. In this way a manufacturer or a railroad may literally borrow tangibles (capital) incurring therefore a money indebtedness.

Capital, and its return, interest, are natural phenomena and as inevitable as production, which the use of capital augments. In a similar way the facilities of exchange are necessities in any civilization whose exchanges have advanced beyond the state of barter. It is essential, however, to bear in mind constantly that facilities are never capital, that capital and interest are always tangible and the risk has nothing whatever to do with interest.

Summit, N. J.

C. H. KENDAL.

LEGAL INTEREST BORN OF RESTRICTIONS

EDITOR LAND AND FREEDOM:

There are two forms of interest. Legal interest is extortion, born of various restrictions. Normal interest, the hire of goods or of money in a free market will be nominal—probably; or at least negligible.

Frank Stephens used to say, "Under free conditions no one will pay any more for money or for anything else, than it is worth to him."

So we don't have to worry whether the lender will receive or give, or how much. Still less need we divide our strength by argufying over such questions.

New York City.

BOLTON HALL.

SOME THOUGHTS ON THE TRAILER HOME AND PORTABLE HOUSE

EDITOR LAND AND FREEDOM:

Economic trends, like the winds, constantly veer. Man, in his desire to accomplish his aims with a minimum of exertion, follows the line of least resistance. The adoption of the trailer-home by over one hundred thousand American families is a weather-vane indicating a growing reversal of man's age-old conception of his relationship to land. In the past, the stable home has made the ownership of the land, to which it was permanently attached, a seeming necessity. The portable house is teaching men that ownership of the site is unnecessary. In fact, they are learning that in most cases it is more economical to acquire the use of land through leasehold than it is through ownership. So great are the economies effected through leasehold tenure that the trailer-homesteader parts with many of the conveniences, which the stable structure affords. This, together with the fact that real estate associations throughout the country are vitally concerned with the rapid increase of trailer-homesteads and are busily engaged in the task of placing laws on our statute books, which will restrict this rising menace to profitable speculation in land, should be noted and seriously considered by those who are interested in the socialization of land values.

Long before the trailer-home became an established institution, the writer foresaw the effects which portable structures would have upon the land tenure problem and sought to arouse Single Taxers to a study of the possibilities for social reform that are to be found in

the development of a demountable structure, which may be utilized for residence and commercial purposes upon leased land. The response was nil, but this entering wedge to the solution of the land question should no longer be ignored.

Within a radius of twenty miles of every city lies sufficient unused and partially used land to provide a homestead and a place for work for each of our homeless and jobless families. This land lies within as well as without the city limits and comprises sites suitable to every type of enterprise. The present owners hold these sites in anticipation of future profitable sale. The hope of future profits through rentals is not the incentive that promotes this speculation. Consider, for example, the city of Chicago. It is estimated that the sites plotted out and held by speculators, within commuting distance of this city, would furnish homes and business sites for a population of 75,000,000. Are the present owners of these sites so dull that they do not realize that not within the lives of any of their grandchildren will Chicago attain a population amounting to one-quarter of this number? To whom do these owners hope to sell their holdings? Why, to other speculators who can carry the torch of land speculation down through the ages. What will happen if sales decline and finally cease? Will men continue to pay taxes on land that can bring them a revenue only through rentals from a generation yet unborn? It is not reasonable to think that they would continue to hold land from which they entertained no hope of returns.

Rather, it is logical to expect that they would seek renters for their holdings immediately. This they undoubtedly would be forced to do. They would quickly discover, however, that there are not enough renters to go around, and that as a consequence many must be left holding title to land for which neither they nor any other of this generation have any use. The end—result would be the return of a considerable portion of our country to government possession. Our present so-called marginal lands would be the first to return to the public domain, and land that today draws moderate rentals would become marginal. Gradually this new marginal and would be abandoned and the margin of cultivation raised to a higher level, with the result that wages, which are dictated by the margin of cultivation, would increase steadily.

Coupled with this disruption of land speculation would arise a taxation problem for our generation to solve. Those possessed of demountable structures would argue that such structures be classed as personal property, which is exempt from taxation in some sections of the country. As the use of demountable structures increased, the number of those who differentiate between land and improvements would be augmented. Millions who today can not be brought to realize the necessity of land value taxation, would clamor for it, in defence of their own interests. The taxation problem would be thrown into the public forum, opening up a discussion which would afford the followers of Henry George with the greatest opportunity they have ever enjoyed for the propagation of their doctrine.

Those who believe that our people would not adopt the demountable structure, have but to consider the rush of American families to the trailer-home to see how great is the desire of our people to escape the toll of landlordism. Give these families a modern home containing all conveniences to which they are accustomed, under circumstances that will permit them to escape the toils of the land speculator, and they will abandon not only the stable structure but the trailer as well.

Edwin J. Jones of Westfield, N. J., told in the last issue of LAND AND FREEDOM of a plan for leasing to prospective home-builders a small tract of land belonging to that city. The demountable structure, without any legislation, will make a similar leasehold plan possible for every community. Why not encourage the development of the demountable structure?

Erie, Michigan.

ROBERT L. MCCAIG.

AGREES WITH MR. CARROLL

EDITOR LAND AND FREEDOM:

Mr. Joseph R. Carroll in his letter in the May-June issue of LAND AND FREEDOM hits the nail square on the head.

Ever since I saw the cat more than fifty years ago, I have been advocating Single Tax in season and out, and it has been my experience that those who would benefit the most by abolishing land monopoly, are the hardest to convince. These same people defeated Tom L. Johnson in Cleveland and caused his premature death, after he had spent millions of dollars trying to bring about conditions to make their lives happier.

In my opinion "Progress and Poverty" is the greatest book ever written, for it proves that we can escape at least 90 per cent of our present troubles if we follow Henry George.

It was my pleasure to hear him denounce land monopoly in Ash-tabula, Ohio, and to this day I still seem to hear his resonant voice.

Some day if we heed his advice, before our civilization goes on the rocks, the world will dedicate a memorial to Henry George, more impressive than any other ever erected to the memory of any human being.

Painesville, Ohio.

H. BIEDER.

"PROGRESS AND POVERTY" NOW AMONG THE BEST SELLERS

EDITOR LAND AND FREEDOM:

Your advertisement of the new book on the last page of LAND AND FREEDOM is so well worded that I think leaflets of it should be printed and distributed among the faithful to enclose in their letters, and private post-cards of the same might do much to increase its circulation.

"Three times summoned to Rome, he flatly refused to go, and after six momentous years of waiting Rome came to him."

When in the history of the Catholic church, did such a thing ever happen before? That statement ought to make churchmen of every creed tumble over each other to get a copy—and learn the reason why!

Hope the book will have a rush that will revive our "almost blunted purpose" and put "Progress and Poverty" among the best sellers again.

Houston, Texas.

P. W. SCHWANDER.

A CRUSADE FOR SOCIAL JUSTICE

EDITOR LAND AND FREEDOM:

I would like to express my appreciation of LAND AND FREEDOM which covers a vast field in economics in a masterly manner.

At present things look very hopeful for our cause, as there is in New Zealand a "Crusade for Social Justice" preaching that there is no necessity for poverty—just what we have been saying for sixty years. This crusade seems to be getting a good following including all the churches, not omitting the Roman Catholic. They admit that they cannot point the way by which Social Justice may be brought about, but are calling on the "experts" to do the job.

We are doing our best to show them the way.

Auckland, N. Z.

C. H. NIGHTINGALE.

PRAISE FOR GEORGE RUSBY'S PAMPHLET

EDITOR LAND AND FREEDOM:

Congratulations on the last issue of LAND AND FREEDOM with its fund of vitally interesting material.

Your Comment and Reflection maintains its high standard—a difficult feat. I should like to add my praise to that of Mr. Burger with respect to Rusby's "Smaller Profits, etc."

Ambrose Bierce defined the word pleonasm as "An army of words escorting a corporal of thought" and antithetically, I should classify Rusby's booklet as the multum in parvo of our economic literature.

Best wishes for your continued success.

Philadelphia, Pa.

C. M. HOOSE.

GEORGE HENRY EVANS

EDITOR LAND AND FREEDOM:

The *Red Bank Register* of September 2, prints in full on the first page, a column in relation to the Keansburg cemetery, where the grave of George Henry Evans, early land reformer, and that of his wife and daughter are.

Mention is made of the fact that Evans is alleged to have been acquainted with Horace Greeley, and of it, having been asserted that the *New York Tribune* was originally published as a successor to a publication by Evans.

Horace Greeley was born in 1806, a year after Evans was born in England. Evans lived till 1856, and was a printer and publisher. It may easily have been possible that Evans was acquainted with Greeley. I find some mention in the biography of Henry George to the effect that the *New York Tribune* of which Horace Greeley was editor-in-chief, commenced to publish some essays on political economy, written by Greeley, the first appearing in the same issue that an article by Henry George, occupying several columns of the *Tribune*, was printed, the article referring to Chinese immigration into California.

George was a delegate to the Democratic convention in 1872 where Greeley was nominated for president, and met the candidate during the campaign.

Asbury Park, N. J.

GEORGE WHITE.

NEWS NOTES AND PERSONALS

THE United States Senate adopted the suggestion of a one per cent tax on land values to meet the District of Columbia deficit this year. It was thrown out in conference by the Democrats from the South but is a precedent at least.

THE following plank has been proposed to Mayor LaGuardia, running for re-election as mayor of New York, and to Senator Copeland, standing in the primaries for the same office: "We advocate the cutting of taxes one-half on private homes and modern apartments and raising the taxes on speculative land." Senator Copeland has promised something definite in the near future. Mayor LaGuardia has not replied.

L. O. BISHOP, veteran newspaper writer, whose column in the *Fairhope Courier* and other periodicals throughout the country attracted much attention, is dead at the age of seventy-eight. He had a long and interesting career. He went to Fairhope about seventeen years ago and was highly respected in the community. He was an earnest Henry George man and his teachings undoubtedly left a wide impression. His widow and several children survive him. Rev. H. D. Williams in his prayer offered the following tribute:

Here was a righteous conscience that knew God. Here was a great voice that spoke from our hill—here was a powerful pen that heralded the Truth.

Conscience, voice and pen functioned for God and humanity without fear or favor, indeed in love and courage and devotion.

He lived on the high level of unselfish devotion to his own convictions about God and man and human welfare. He was a true prophet of the social age and the kingdom of God."

GILBERT M. TUCKER of Albany, N. Y., in a recent communication urges the necessity of more intercommunication, to say nothing of publicity. "If it were not for your excellent paper we would never know anything about anything. I wonder if it would not be possible to develop the Fellowship into a really broad organization for our activities and better team work. Ours is the only nation-wide movement that lacks a strong cohesive organization."

R. E. WHITE, founder and editor of the *Liberator* of Perth, Australia, passed away July 26. The *Liberator*, as many of our friends

know, is the organ of the Liberationists, the group of Single Taxers who teach that under the full collection of the economic rent interest would disappear. The paper has been vigorously conducted under Mr. White's editorship and while the principles advocated seem to us to be founded upon a misunderstanding, the devotion of Mr. White and his associates to their ideals is worthy of all praise.

JAMES P. KOHLER of Coral Gables, Florida, was interviewed by the Beatrice, Nebraska, *News*, and the interview covers several columns. The statement is made with all Mr. Kohler's old time vigor. A paragraph from the interview will be found on another page. He visited Washington on his recent trip North and had a long conversation with Congressman Herbert Bigelow. Mr. Kohler was a close friend of Henry George, and Mr. George selected him to debate with Theodore Roosevelt, and at another time, to address a big Wall Street meeting from the Treasury steps in the campaign of 86.

THE Anthracite Commission appointed by Governor George H. Earle of Pennsylvania, defends the right of the self-employed miners to earn a living as "bootleg" coal producers in which some forty-five thousand men are engaged, directly and indirectly. This is a victory for those who contend for man's right to the use of the earth and may have far-reaching results.

THE appearance of the Life of Dr. McGlynn calls attention to the fact that in his earlier years he acted for a time as librarian of the famous Vatican Library at Rome, a position for which he was well fitted by reason of his profound scholarship. It is peculiarly fitting that the Life of Dr. McGlynn appears on the hundredth anniversary of his birth.

It is refreshing to be able to quote with commendation from President Roosevelt and the opportunity should not be missed. In considering Bill 2.8172 introduced at the instance of the President he said:

A tremendous benefit will accrue to the Northwest by the building of Grand Coulee Dam and power plant, and the Columbia Basin irrigation project. I am in favor of the Federal Government providing adequate funds so that the construction at Grand Coulee may proceed in an efficient manner and without delay.

Nevertheless, it is only fair that I should tell you that before the appropriation of funds for the construction of Grand Coulee Dam as a high structure, it is my thought that the Congress assure itself of complete control over the lands in the Columbia Basin which would be irrigated.

I know that you will agree with me that it is unthinkable that real-estate profits should accrue to private individuals solely because of this great government work.

Therefore, in my judgment, construction of the high dam should be dependent on the elimination of private profits, speculative or otherwise, which would result from this proposed action by the Federal Government.

SINCE our last issue Mr. Monroe reports the organizing of 6 classes in Cincinnati, 20 classes in Pittsburgh, 7 classes in Chicago, and 2 classes in Philadelphia. San Francisco has ordered triple postcards for 6 classes, Boston for 6 classes, Newark for 10 classes, Topeka, Kansas, for 2 classes; Glendale, California, 1 class; Youngstown, Ohio, 1 class; Omaha, Nebraska, 1 class; Toronto, Canada, 1 class; Scottsdale, Pennsylvania, 1 class; Hartford, Connecticut, 1 class; Beaver, Pennsylvania, 1 class; Huntington, Long Island, 1 class; and several others that might be mentioned.

CHARLES G. SCHAEDEL died in Melrose, Mass., on September 11, in his eightieth year. Funeral services were held at the Unitarian Church on the fourteenth. He was an active member of the Massachusetts Single Tax League in the days when that organization was a going concern.