

Land and Freedom

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Current Comment

SOMETHING is bothering George W. Hinman, of the *New York American*. Mr. Hinman is bothered a great deal these days. His special trouble at this time is why there are attacks on John D. Rockefeller and the Standard Oil Company and only words of praise for Henry Ford, who has long out-distanced the former in the race for wealth. He put the problem up to a "radical" friend whose answer was that Mr. Ford had blessed the "masses" by giving them cheap automobiles. He had given them the pleasure of motoring in his ten million cars. Another, a writer on "industrial democracy," is quoted as saying: "If real wealth were being turned out by industrial enterprises at the rate at which it comes from the Ford factories, and were being shared by labor in the same proportion the demand for control (of business) by the workers would still be a long way off."

MR. HINMAN thinks these answers unsatisfactory and indeed they are. But if Mr. Hinman will read Henry D. Lloyd's "Wealth against Commonwealth," or Ida Tarbell's "History of the Standard Oil Company," he will learn why Henry Ford is popular and the Standard Oil magnates unpopular. Henry Ford has not sought for legislative favors; he has never endeavored brutally to crush out competition; his industry owes nothing, or but very little, and that little indirectly, to the tariff. That is the answer. Even if incapable of formulating their reasons for liking Mr. Ford and disliking rich men like Mr. Rockefeller, people have a sub-conscious apprehension of the reason for their prejudice for one and their partiality for the other. Without real economic knowledge, they prefer a man whose riches are not the result of legislative co-partnership, and cannot be traced directly to laws favoring monopoly. Ford entered manfully into the industrial struggle, with a business that stands squarely on its own bottom, never seeking for favors nor secretly conspiring with lawmakers. This, Mr. Hinman, is the reason why people like Henry Ford.

THAT economic maladjustments have contributed to swell the profits of the Ford plants is probably true. It may be true that, owing to the fact that labor is divorced from natural opportunities, Mr. Ford's wealth contains a large element of unconscious exploitation. But this is true of all great industrial plants. Mr. Ford has at least played the game fairly. He has asked for no advantages

which are not equally shared by his competitors. We confess to sharing the public sentiment in favor of a man who does that.

OF course, our economic system is such that it provides open invitation to seekers after opportunities for legislative advantages and economic exploitation. To succeed one must often avail himself of these. Not to take advantage of them is often to be crowded to the wall. Great fortunes, with few exceptions, are to be traced to land monopoly, tariff or railroad privilege; to the powers given to large capital; to a situation where the production of wealth may be restricted; to the powers of exploitation in a situation where Labor must work for an employer or starve—to that slavery, in short, where the workers are economically dependent on the owners of natural opportunities, or on capitalists who must themselves bargain with the holders of such opportunities.

OUR congratulations to Mayor Webb, of Winnipeg. There is a "mall" to be built in that city—a broad highway extending from Portage Avenue to the Parliament Buildings. Mayor Webb sees that public improvements make land values and that such values should be taken to pay for these improvements. When mayors of cities begin to see these things, the more careless citizens will see them, too, and the whole question will be in a fair way of being solved.

AFTER all, what can be simpler? The theory of "benefits received" and "ability to pay" theory, which have divided the thousands who have speculated on the subject of taxation, are co-related. Here they can be made to co-relate, at all events. It is bad policy in a government to tax people merely because they have the money and the government can get it out of them. Dick Turpin did that, and governments are not supposed to be run in accordance with the ethics of Dick's profession. But unfortunately they are. The whole theory of the Income Tax, for example, and the surtax on incomes, are based on the theory of going after the money where it can be got. There are no ethics or decency about it. Our apologies to Dick Turpin, however, for we have historic evidence in support of the fact that he did not rob the poor, but confined his depredations to the rich. This was not highly ethical, of course, but it shows out in sharp contrast to the practice of governments that go after the rich in the manner of Dick Turpin, but discard Turpin's sentimental consideration for

the poor. Governments play no favorites. Which somewhat rambling disquisition has led us away from Mayor Webb, of Winnipeg, with whom we began, and to whom again, Congratulations!

FEW public men have a better and more extensive knowledge of public affairs than Governor Smith of this state. It is to be regretted therefore that his acquaintance with practical economics is so elementary. In his veto accompanying a number of bills carrying with them appropriations of public money, he says:

To any person who has made a study of the situation it must be apparent that, if the rent problem is to be solved, something must be done by the various municipalities of the State to raise revenue for city expenses from sources other than real property.

WILL not some one tell the Governor that the effects of taxes are many fold, depending on the kind of taxes levied and the things they are levied on? For example, taxes on houses increase rents because they increase the cost of building houses; taxes on land, levied in proportion to the rent of land, do not increase rents—neither house rents nor land rents—but tend to reduce rents by bringing land into use that is now held out of use.

BUT it might surprise the Governor to be told that if all taxes, including the land tax, were abolished, and heaven rained the necessary revenue into the public treasury, rents would go up, not down. People would be compelled to pay more for living in a community where there were no taxes, and the landlords would take all that was saved. The housing problem would be just as acute.

BROADLY speaking, there are but two sources from which revenue can be obtained—the rent of land and the products of labor. The first is not in its nature and incidence a burden, for if not paid to the state it must be paid to the landlords. The second is a burden that increases the rent of houses and the cost to the consumer of goods produced. The operation and effect is not the same in degree in all cases to be noted, but it is pretty nearly the same in kind—making for the higher cost of living and increasing the intensity of the struggle for a livelihood.

SINCE 1920 the United Kingdom has spent in doles to the unemployed the incredible sum of \$1,500,000,000. At present one out of every thirty-five inhabitants is supported by the state. It is estimated that there are today 1,250,000 unemployed in Great Britain, and this is probably a moderate estimate. Though these doles doubtless prevented riots and revolution when the young men returned from France, the effect has been to foster pauperism throughout the land. This must be the inevitable result of make-shifts that do not remove the real cause of social injustice.

Of course, it has produced no decrease in the number of the unemployed. Indeed it has only intensified or made worse a very bad situation.

AND what do the wise lawmakers of Great Britain propose to do about it? They are equal to the problem that has arisen—at least one genius is. He is Sir Alfred Mond. This gentleman proposes now to go a little further in this effort at bailing the ocean by adopting a new method of relief, which may be described briefly as doles to the employers rather than to the workingmen. And the reader is asked to note the simplicity of it. Direct subsidies to manufacturers would enable them to meet competition by reducing high costs of production and at the same time enabling them to pay union wages to their employes! A stimulus would thus be given to all industry! The unemployment question would be solved and doles to working men could be discontinued.

ECONOMIC intelligence has moved but slowly since the days of Bastiat and Cobden. The doles having failed to do little save to demoralize, so-called statesmen must turn to other devices. The time was opportune for the heaven-sent genius of Sir Alfred Mond—he has at least been able to contribute to the time-honored struggles of a nation to lift itself by its own bootstraps. Always the suggestion seems to be to take from some one to give to some one else. And these men shiver at nights at thoughts of the Communists, and Russia and the Bolsheviks!

CAN they never think in terms other than those of doles and subsidies? Will they never think in terms of land and human rights? Are they not aware that enormous revenues are being taken by those who contribute little or nothing to the public treasury, out of which all these doles and subsidies must be paid? And when they talk of the unemployed, do they not see what is squarely upon them—that men are denied employment because the avenues to employment are closed, because land is fenced, or bought and sold, without regard to men who would work it but have no rights in it, and no liberty to use it save by permission of the owners and at the owners' price?

TO whom belongs the land of England? To the Lords or the people of England? It is a truth uttered in Holy Writ, but forever denied by its surplined expounders; it is indeed the final letter of English law, that the land of England is the property of the crown and belongs to the people of England. From this it is a simple deduction that the right to this land of a child born in the London slums is equal to that of the noblest Earl. How indeed could it be otherwise? Is life on earth wholly planless and is the chance of survival in an ordered social state to

be left to the hazards of this most desperate scramble? No man in his heart believes it and if he does not believe it how can this system of land tenure under which we live survive much longer than the time needed to draw men's intelligent attention to it? And in the light of such understanding how childish will seem Sir Alfred Mond's proposal (and other related ones) to pension everybody out of somebody else's pocket!

SIR PHILIP SNOWDEN and other leaders of the British Labor party who propose to buy out the landlords should cast their minds back to the time of Gladstone and Parnell, when the policy of buying them out was gradually giving place to the policy of taxing them out. Gladstone's proposal to appropriate £150,000,000 for the purchase of the land from the Irish landlords seemed at the time a very radical one. But some time later he opposed the comparatively small appropriation of £5,000,000. He explained at the time that he still stood for the principle of land purchase, but was opposed to this particular purchase. Even Gladstone was weakening on the purchase policy. Parnell, himself a landlord, who followed Gladstone in this debate, declared that English taxpayers would never consent to tax themselves to buy out the landlords, and Michael Davitt called the measure "a landlord's relief bill." It is true all this referred to the Irish land question, but the principle is the same. Snowden and his so-called radical followers are just about forty years behind the times.

IT is interesting to note what Labouchere had to say at about the same time, to which comment Sir Philip's attention is invited:

"But in regard to the landlords, we may take one of two courses—buy them or let them rot where they are. As a taxpayer I object to buying them out. My advice is to let them rot. I don't know what use they are and besides it is their turn. All Ireland has rotted under their sway. But, by the way, if they don't like rotting, there is one thing they might do—work for their living."

THAT everybody can speculate in land and that all can make money at it, is about on a par with the proposition that every member of a community can make money by taking in the other fellow's washing, or that swapping jack knives can increase the number of jack knives. Mr. J. H. Castle, of Detroit, in an interview with a reporter of the *Detroit Free Press*, believes it or says he does. He is reported as saying:

"There is hardly a person in the Greater Detroit district, who does not have personal knowledge of a number of instances, where people in modest circumstances have saved their money, invested it in Detroit real estate and after a very few years have found themselves on 'easy street.'"

And he adds the following: "And there are greater

opportunities right here in Detroit for every man than ever before."

EITHER Mr. Castle is simple minded or he is willing to indulge in deliberate fiction. How can everybody make money in land speculation? Land speculation has for its object the living off the other fellow, or rather off the rest of the community. The rent of land is a social product; it exists because of the presence of population and by reason of the advantages created by all the people for production and trade—these, plus the expenditure of government in multifarious public services. Not everybody can gamble in location values, and emphatically not everybody can win at it, no more than all players can win in a poker game. And it is somewhat worse, for the land speculator gains what all the others lose. He is the sole winner.

LAND speculation is a lottery, and like a lottery, most of those who play never draw a prize. This is sometimes forgotten. But it differs from a lottery in this. In a lottery the sucker invests but once, and there is no compulsion about it. The lucky land speculator compels the unfortunate rent payer to pay every year, and the latter can never get anything back. He preys on the people's necessities, and the dice with which he plays is loaded. No self-respecting gambler would sit in a game where the other fellow had no chance. Yet these respectable parasites on society would probably lecture others on the evils of betting on the races or gambling at cards. Yet these are clean in comparison. Lincoln would not speculate in land—he saw its evil consequences and felt its meanness.

YET the gamblers in natural resources tell us that everybody can win at the game—a self-evident absurdity. Mr. Castle, a capper for the game, tells us so. And the game is protected by law, the same law that outlaws lotteries and bookmaking on the races. Yet not only is land speculation unutterably mean, it is responsible for panics, industrial depressions, bankruptcies and business failures. Strange that the law protects the only gambling game whose victims are involuntary and whose devastations are felt in every household.

THE Community Chest is the name given to a city fund for the relief of "the deserving poor." The undeserving poor have to shift for themselves. Cleveland has such an institution and one prominent person has said that it would not be safe to live in that city were it not for its community fund, by which he meant that if help were not extended to the poor, the deserving and undeserving alike, we suppose, would go out and take what they needed, which is conceivable. The Red Cross in Cleveland since 1920 has spent \$817,000 to help unemployed ex-service men. Mr. Benjamin Ludlow, of Philadelphia, spoke

recently in Cleveland before the Community Welfare Conference. He told his hearers: "There is nothing of charity in your Community Fund; it is business. The prosperity of your banks is founded upon your bankers. These people toil in your mills. There is no successful business without its human scrap pile."

WE suppose Mr. Ludlow is a kindly man. He seems to think that the responsibility is imposed upon us to take care of the people who work for him and his class. His instincts seem to be charitable. But it is a curious evidence of class prepossession that he can regard a not insignificant portion of his fellowmen as belonging to what he calls "the human scrap pile." That this seems to him not altogether a bad thing may be assumed, for does he not say that "successful business" is founded on them? And is not "successful business" the most desirable thing in all the earth?

MAYBE there is a "human scrap pile." Maybe there are men doomed from birth to build pyramids in ancient Egypt and skyscrapers in New York, to tread the wine press for princes and their harlots in all times, who must work in mills that their owners may draw generous dividends figured on an ad valorem tariff imposed for the "protection" of this same "human scrap pile." Oh, we do not need to be told that the modern toilers, or certain groups of them,—especially those comprising the members of the building trades—are enjoying a large measure of prosperity due to trades unionism. The man is a fool who thinks it can last. The economic forces that must sweep away this advantage are held in temporary abeyance; the inequality in the distribution of wealth is still with us, though here and there large numbers of workers are getting something more of what belongs to them. But the forces that make for their impoverishment have not been altered in impulse or direction; the stupendous charities that minister to insatiate needs, and interminable conferences of futile but well meaning persons to discuss methods of relief, still continue, conferences which if visited by any real glimmerings of what ought to be done would dissolve in utter confusion!

ACORRESPONDENT of LAND AND FREEDOM, thinking he would have some fun with the Department of Justice, wrote satirically, as he supposed, that in view of the million-dollar investigation into lead-pencil sharpeners, the Department should next put a few hundred detectives, lawyers, statisticians, etc., at work on the peanut problem. While he did not complain directly of the high retail price of peanuts, he pointed out that the five-cent bag had shrunk to one-half its former size, and suggested that Department experts should measure the bags and give the consumer statistics on the subject.

Much to his surprise, he received the following reply

from the Hon. Wm. C. Donovan, Assistant to the Attorney-General:—

"Dear Sir,

"Thank you for your letter of the 12th inst., advising the Department of the high retail price of peanuts. In January last, the Attorney General filed a suit against the National Peanut Cleaners and Shellers Association and others, the members of which are wholesale dealers, charging the defendants with restraining interstate commerce in the buying, grading and selling of Virginia and Spanish type of peanuts in violation of the Sherman Anti-Trust Act. This case will be brought to a conclusion as soon as possible. While the questions presented in this case do not involve the retail peanut trade, it is hoped that a favorable decision in this case will indirectly affect the retail price.

"No complaints have been received charging the commission of any illegal acts by retail dealers, but if you have any information tending to show that such dealers have entered into a combination to restrain or monopolize the industry, the Department will be glad to give the matter consideration."

WE offer a prize of one bag of peanuts—full weight—to any one who will tell us whom the joke is on; our correspondent, the Department of Justice, or that humble and inconspicuous person, the taxpayer, who pays for all this nonsense. It must be the last—all jokes are on him. And if there is anything calculated to bring government into contempt it is such activities as these.

International and Domestic Justice

VARIOUS Leaguers, Associations, Councils and Societies, with a window dressing of eminent personages on their letterheads, are engaged in a nationwide propaganda for the purpose of inducing the people of the United States to become involved in the petty social, religious and economic squabbles and wrangles of Europe. The professed purpose of these estimable busybodies is to prevent the recurrence of another world war, by throwing the great military and economic forces of this country into the scale of international disputes, but as the proposal is looked upon with either suspicion or disfavor by a great many Americans, an effort is being made to confuse the issue by the camouflage of a pretense that what is sought is America's co-operation in establishing "International Justice." Talk of The League of Nations, and The World Court, has worn out American patience, as long as it palpably meant contributions of American money and men to prevent those dear Europeans from butchering each other, or at least, from killing the wrong lot of people. A new palaver was needed, so now we have vociferous appeals to join this or that society, not forgetting contributions to pay the salaries of a lot of chair-warmers and other parasites, which will carry on the noble work of International Justice.

Again we ask: how can these eminent respectables, who