

FAIRHOPE:

SUCCESSFUL EXPERIMENT IN SINGLE TAX

(Fairhope: The Story of a Single Tax Colony. By Paul E. and Blance R. Alyea. University of Alabama Press, 1956. \$4.50.)

Fairhope, Alabama, the oldest and largest single tax colony in America was established on 15th November, 1894 by a small group of men and women who hoped to demonstrate the benefits of single tax in practice. Fairhope was developed not in a fertile savannah, but on sub-marginal land. The initial group of colonists consisted of 25 including children, and four were not members of the Fairhope Industrial Association and most of the members had made but one payment of \$5 on their membership stock.

Fairhope could not put the single tax to a thorough test, for as our authors explain "A private corporation obviously cannot have taxing powers, and thus cannot abolish all taxes except those levied on land . . . Literally all the colony can do is to prevent speculation on individual profit in colony lands and to use the rent collected for the (public) purposes of the community."

The colony had a plan which enabled it to refund all State and County taxes on land, improvements and personal property.

In seeking members Fairhope drew to it non-single taxers including some socialists. In steadily pursuing Henry George's objectives, it thus met a considerable amount of dissension. It was by observing the freedom of expression cherished by George that it was able to maintain its principles in spite of some objectors.

The first land purchased was but 120 acres. "It consisted of 2800 feet along Mobile Bay, about half the distance between Montrose and Battles Wharf" . . . a location of importance. In spite of difficulties which confronted Fairhope at the beginning, and those which came later, as for example the effects of the Florida Boom, the Depression of 1929 and the two world wars, Alyea can say:

"The Fairhope Colony survived this and many other handicaps and shortcomings. It not only has survived but has grown increasingly strong in a material or financial sense. And a curious thing has occurred: instead of shedding its single tax characteristics, as the general public lost interest in the doctrine, the colony purged itself of non-single tax impurities in its functions, its policies and its procedures. The Fairhope Single Tax Corporation of 1954 is very much a going concern. At least from the point of view of its small membership it is anything but an anachronism; rather it is viewed as one of the more realistic and soundly rooted reform organizations in existence."

The progress of this community is such that the Alyeas who have long been familiar with it can say, "The results of the Fairhope Colony experience appear to these observers as quite superior to those obtainable in comparable areas. The values accepted in reaching this judgment are those of the community as a whole, as opposed to the values of individuals as speculators or as seekers after absolute privacy, irrespective of the costs to them or the group."

In speaking of the rapid growth of Fairhope the Alyeas make these significant comparisons:

"Over the years the Fairhope colonists made much of the fact that Fairhope grew steadily and more rapidly than any of her sister communities similarly situated on Mobile Bay such as Daphne, Montrose, Battles Wharf and Point Clear. All of these are much older, some of them having been established village centres for more than 100 years before Fairhope was founded. Daphne was formerly a county seat and had the further advantage afforded by the presence of a normal school. None of these communities enjoyed any protection whatever from land speculation which, from the point of view of a single taxer is a "retarding and growth destructive influence . . .

"The relatively rapid growth of Fairhope as contrasted with the much slower growth, or even the long term stagnation with some retrogression of other Eastern shore centres, may, with considerable certainty, be attributed to the colony plan."

The very success of the management of the Corporation has caused a lack of interest in its affairs among some of its members. The Alyeas consider this unfortunate and propose a way to correct it. They also recommend an educational programme for the people now in Fairhope who are not familiar with the single tax policy. They say:

"If we are correct in our understanding of the nature of the survival value of the Fairhope Single Tax Corporation and if our suggestions are adopted, the result should be a renewed vitality of the experiment and with this new life should come renewed community interest and a widespread conviction that the Fairhope colony can demonstrate certain beneficent effects resulting from a community expropriation of economic rent in lieu of other taxes and charges for the financing of the community household."

This is very strong endorsement by the authors, who say they are not single taxers, though find Henry George fascinating. We can be grateful to them for a very objective and comprehensive study.

—"The Georgist," March, 1957.