

plus without any exertion at all, would be called "thoroughbreds," but the herd would deteriorate.

Is it not plain that a civilization which forces the men who feed, clothe and house us to give up two-thirds of the wealth they produce, for the right to use the earth, will cause involuntary poverty?

A little over a year ago a man and wife with seven children went onto 240 acres of land in Jackson township, Lyon county, Kansas, and agreed to give \$12,000 for the tract of land, including about \$2,000 worth of improvements. And what improvements! You would rather have \$2,000 than those improvements. This man and his wife paid down in cash, from long years of savings, \$1,000 and gave a mortgage for \$11,000 at 6 per cent for deferred payment of rent. You will see that this man really bought \$2,000 of invested capital, which was a just transaction, and \$10,000 worth of land value, or deferred payment of rent, which, measured by the natural law or law of justice, is a most vicious and poverty producing transaction. A few days ago, the interest on this \$11,000 became due, and the man—your brother and mine—spent several days trying to borrow the money to pay the annual rent by mortgaging his wheat crop and all his personal property.

Look what a burden our civilization has placed on this bread winner and his family. What real capital he has borrowed does not amount to much. But we force him to pay \$600.00 each year for the right to feed his family. He is compelled to pay his share of township, school, county and State taxes. And the harder he works, and works his family, the less he eats; the more he saves and improves his land the higher will we tax him.

Then he is forced to pay his share of \$600,000.-000 governmental tax. Besides that, in buying lumber, hardware, farming implements and clothing he must pay \$125.00 more per annum for trust made goods, than they sell for 10,000 miles from home. Last but not least, he must pay off the \$10,000 deferred payment of rent. Now, under this barbarous contract how long will this hard working family feel the sting of involuntary poverty?

The man is 57 years old. During the next 10 years, with fair crops and no sickness or death, he may reduce the debt \$2,000 or \$3,000. He will have done well, if he does that. But the time will come, when from failure to meet a deferred payment of rent, the man and his family will be turned out of house and home.

The land will not produce a bushel of wheat or corn more to the acre, than it would 25 years ago, when the writer grazed sheep over it and it would not sell for \$2.00 per acre.

Don't tell me that the above story is an exception. I can write 200,000 of like kind in Kan-

sas. Some worse, some not so bad, but yet all bad.

This story is a plain fact very plainly stated. The truth is, regardless of our boasted prosperity, that in Kansas we have five dollars of mortgage for every one we had twenty years ago. And eighty per cent of them is for purchase money of land, deferred payment of rent—the same as the Irish tenant pays the English landlord.

R. T. SNEDIKER.

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HOW NEW YORK TAXES ITSELF.

From an Interview With Lawson Purdy, President of the Department of Taxes and Assessments of the City of New York, Published in the London Daily News of Aug. 11.

"In 1903," said Mr. Purdy, "we secured an amendment of our New York law which requires a separate statement of the value of the land. The law became effective in the assessment of 1904. It entailed a considerable amount of work upon the employes of the Tax Department in making the assessment in this manner for the first time. But there was no difficulty or friction about it. The work was done, when the law required that it should be done, just as usual."

"And the effect?" I queried.

"The effect," said Mr. Purdy, "appeared in the very first assessment, in the higher assessment of vacant or poorly improved land. And I believe that annually since then the fairness of the assessment has improved. There is no wilful or intentional discrimination between classes of property today. The assessment of the land is a comparatively simple matter. The work is done generally by the establishment of unit values per lot, the unit lot being 25 feet by 100 feet, or per front foot of a hundred feet in depth.

"When the unit value is established the determination of the value of a lot of greater or less depth than 100 feet is little more than a mathematical computation based upon a scale in common use by real estate appraisers in the city of New York."

"Upon whom does the tax actually fall?"

"It is clear, doubtless, that where the land is unimproved and unused, the entire tax must fall upon the owner. Where land is improved it is, doubtless, true that the tax, so far as it is imposed upon the land itself, is borne entirely by the owner of the land. So far as the tax falls upon the building it tends to increase the rental which may be obtained for the building, because a tax on buildings may be shifted by a decrease in the erection of buildings. New buildings will not be erected unless the owner can secure a sufficient rental to yield the usual return upon capital so invested.

"We have periods of over-production of buildings. These are of very brief duration; but at

such times rentals must inevitably fall. New buildings are not erected in such numbers during such a period. As soon as the population is sufficient to absorb the supply and rentals again advance, there is an inducement again to erect buildings, and the equilibrium is preserved. However, a tax on the buildings always tends to be shifted to the tenant; but a tax on land is not only never shifted to the tenant, but the pressure upon land-owners to utilize their land tends to keep down the rental value of land by enlarging the market supply."

"What," I asked, "is the effect of your method of taxation upon the development of suburbs? Also does the development of suburbs reduce the city values?"

"The development of new means of transportation," said Mr. Purdy, "undoubtedly checks the increment in the value of residence land in the heart of the city. Our population, however, increases so rapidly that I don't think the land has actually decreased in value because of suburban competition at any time.

"We are at present witnessing a tremendous increase in the value of suburban land on account of new means of transportation between the borough of Manhattan and the borough of Queen's. These two boroughs are separated by the East River. One tunnel has been completed, and is in operation. Three other tunnels will soon be in operation. A number of new bridges are nearing completion. Land has risen from a few hundred dollars an acre to as many thousands in the last five years."

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BACK TO THE PEOPLE.

Editorial in the Cincinnati Post.

We have seen the hand of Harriman seize the highways of the nation. Over the wine cups at Washington we have heard him nominate the Governors of his provinces. We have recalled the metaphor of President Garfield picturing the States as "discrowned sovereigns following in chains the triumphal chariot of their conquerors," the railways. We have witnessed this centralization of wealth and political power until many have begun to despair of popular government:

But, behold, the people that walked in darkness have seen a great light. Out of Oregon came a sign. A mighty hope has been born. A new and magic watchword has been sounded. "Back to the people"—that is the blazing banner round which gathers to-day a victorious host.

The demand for the initiative and referendum is, in the opinion of many, the most portentous movement in American politics.

The bosses have seemed hardly to notice it, and the corporations have only recently taken alarm. But it is too late. As stealthily as the tide, this

great undercurrent of democracy has surrounded them, has cut them off.

Like a thief in the night a revolutionary principle has stolen into the Constitutions of five of our States. It is knocking now at the doors of twenty State legislatures. It is in full operation in half a hundred cities. The Supreme Courts of five of the States have bowed to it. And while the corporations are now asking the Supreme Court of the United States to outlaw it, their case seems hopeless.

The movement is irresistible. Government by private monopolies has run its course. The hour has struck. The people are rising.

Consider the history we have been making.

South Dakota, through the initiative and referendum, established popular sovereignty in 1898. This Fall the people take a direct vote on their divorce laws.

The right to make or unmake laws by a direct vote at the polls was won by the people of Oregon in 1902. Since then they have voted on 32 measures. Seventy-four per cent of the electors, on the average, have participated in these 32 votes.

After an inexpensive educational campaign of a few months the people have passed, by overwhelming majorities, laws that it would have taken twenty years to get through their lobby-ridden legislatures.

The people of Nevada acquired the right of referendum voting in 1905. This year the legislature passed a bill to create an army of mercenaries for the benefit of the mine owners. But ten per cent of the miners can hold it up. Between them and the legislature the people will decide.

The right of direct legislation was incorporated in the Constitution of Montana in 1906. This year the people are going after three laws, a direct primary for United States Senators, an anti-injunction law and an employers' liability act.

Oklahoma started out with the initiative and referendum last year. This Fall a referendum vote is to be taken on the question as to whether the three million acres of school lands shall be seized by the speculators or be saved for the children of the commonwealth.

This is the roll call of the free States. And the number is steadily growing. Republican Maine and Democratic Missouri pass upon an initiative and referendum amendment this Fall. North Dakota is in the heat of a referendum campaign. Organized labor in Ohio will demand a referendum pledge of every candidate for the State Legislature.

This is the line of march in America. The people everywhere are going to make and unmake their own laws when they are not satisfied with the work of their representatives.