

The shiftiness of Mr. Gompers consists in evading the conclusion that the closed shop can be maintained only by force in time of strike, and that in the ultimate analysis, with non-union workers taking the place of strikers, the unions can succeed only by violence and intimidation. It is to these abhorrent forces that underneath his suavity Mr. Gompers really appeals. Mr. Baker indicates this politely. But he fails to remind Mr. Gompers of what both know perfectly well—and that is *his* cardinal sin.

THE promoters of the International Conference on the Taxation of Land Values to be held in Oxford, August 13th to 20th, announce that a representative gathering seems likely. Those who intend going from here are requested to get in touch at once with the United Committee, 11 Tothill street, London, England.

EDITORIALS

Apologies to an Editor

IN a recent issue of the REVIEW we expressed the opinion that the former editor of *Colliers'*, Mr. Harford Powel, Jr., had in an editorial paragraph in which he suggests that industrial and business depressions were due to the conditions of human glands, reached the depths of editorial drool and inanity. It is only fair to Mr. Powel to say that the editorials of his successor, dealing with *Colliers'* plan for industrial peace and progress, exhibit a colossal ignorance that puts even the "gland" suggestion in the high class of a *New York Times* editorial substitute for thought. We are informed that these profound observations on social and economic conditions are the result of collective study and careful consideration by some of the best minds of 416 West 13th street. This seems probable, as it is altogether unlikely that one editor could be capable of evolving the mixture of stupidity and ignorance displayed in *Colliers'* programme for solving the labor problem and establishing permanent prosperity.

Spread the Light

THE real Single Taxer, one who is doing something to advance the principle in which he or she believes, has always a field of activity in which there is unlimited opportunity. The one great channel for the dissemination of important truths is today to be found in the newspapers and magazines. It is from them that the hundred million Americans get their news of what is being done, and, alas! it is from them that too many readers take their opinions and beliefs.

It has been apparent for some years past that there is a concerted action by the principal newspapers, including even those professing democratic or liberal principles, to suppress as far as possible all mention of the Single Tax.

Socialism, something far off that a lot of people want and hope they won't get, may be discussed. But a practical proposition such as the Single Tax is dangerous to the privileged interests, that through advertising and financial control are an effective censorship, so it must not be mentioned in the news or editorial columns. There remains, however, the "Letters to the Editor" department of most newspapers and many magazines. Here is a field for every Single Tax worker.

Joseph Pulitzer used to say that no editorial writer was worth his salt who did not get boiling mad at least once a day over some record of injustice in the daily news. When you read something about unemployed workers, idle land sold at a huge profit; tax burdens so great that they grievously oppress the consumers—anything that will serve as a text—sit down and write a short letter about it. Be good tempered. Don't abuse the editor because he doesn't advocate the Single Tax. He will, just as soon as his constituency shows that it favors it. Then it will be a question of his readers or his advertising, and the readers will win, as advertisers don't spend money on a paper that is not read. One letter a day is not much. Think of what it would mean if all Single Taxers should write even one letter a week. You don't need an association for this work—only a pen or pencil and a 2-cent stamp. This means you—not somebody that you are going to get to help you. Get busy.

Thoughts on Taxation From a Profound Thinker

WE have on numerous occasions referred to the ignorance and stupidity of the professional economists in dealing with the subject of taxation, and have at times wondered whether the amazing nonsense put forward as a serious contribution to the stock of knowledge on this question was due to lack of ability to reason, or a cowardly deference to the privileged interests that profit by a continuance of existing tax systems. It has long been apparent that no light or leading was to be expected from the professors of economics in Universities and Colleges sustained for the most part by the beneficiaries of privilege, for even though they should catch a glimmer of truth as to the natural law of taxation, they would not be allowed to teach their classes something regarded as dangerous radicalism.

Fortunately the United States is not dependent upon its economists and statesmen for advice regarding taxation. Under the free and democratic conditions prevalent in this country any man who can successfully manage a factory, a department store, a stock-jobbing "banking house," or any other enterprise out of which he makes a fortune, becomes at once an authority on all public issues, and is qualified to advise his less fortunate fellow citizens as to their rights and duties. Thus we have Mr. Otto H. Kahn, who becomes adviser to Congress on all matters pertaining to taxation and finance, and Mr. A. B. See, an estimable maker

of elevators, solves the problem of the higher education for women. Not to be outdone by these serious thinkers, Mr. Irving T. Bush, who has reached the millionaire class by getting possession of valuable waterfront properties on New York's harbor and erecting a mammoth warehouse system, discovers that he too has a mission to teach. Were it not for the adoption of the United States and New York State income taxes, and the imposition during the world war of the excess-profits tax, Mr. Bush might never have known that there was a tax question. But having been called upon to pay a considerable part of his profits as taxes he has kindly undertaken to instruct that highly intelligent section of the public that reads the Hearst newspapers as to the correct principles of taxation. With all the solemnity of one who has discovered something new, Mr. Bush advances the startling proposition that taxing thrift is all wrong; that our present system of Federal taxation oppresses those who save and use their savings for investment in business, and that as a substitute for the taxes on saving we should have—"a tax on spending—the sales tax."

Just so. Taxes on the great fortunes of the privileged few, and upon the surplus earnings of huge corporations, injure the people by limiting industrial development. Therefore, as a remedy we should tax the sale of goods of all kinds, so as to encourage thrift and industry! Mr. Bush is the people's friend. He knows that cheap goods lead to idleness and extravagance. The consumer buys more and works less. How different it would all be with the sales tax, that would make everything cost more and discourage buying. Then the happy workers would not have so many things to make, and they would have abundant leisure in which to read the amusing efforts of Mr. Irving T. Bush to explain how industry is to be encouraged by shifting the tax burden to the people who buy things.

Editors of alleged funny papers complain of the lack of humorous material. We take pleasure in informing them that Mr. Bush's address is 100 Broad street, New York City.

More Wall Street Economics

THE *Spur*, a magazine chiefly devoted to the sports and amusements of our American aristocracy, publishes a photograph of Mr. Jules S. Bache, senior partner of one of the largest brokerage firms in Wall street, with the comment that Mr. Bache is a keenly observant writer on both financial and economic subjects. This is possibly true, since Mr. Bache, or his efficient publicity agent, is prolific in his counsels of advice to Congress and the American people as to their duty to take the burden of taxation off great fortunes and put it on the consuming public. This is the same Mr. Bache who has been going around telling Rotarians and other unfortunates who have to listen to him how little he knows of taxation or any other subject of public interest. An indication of the intelligence of this "economist" is found in his statement in *The Spur* that "the value of the whole wheat crop of the United States is based on the neg-

ligible percentage which it must have left over, after its own consumption is provided for." Pity the poor farmer! The value of his wheat is not, as he had supposed, in what he could exchange it for, but the price paid for the exported surplus! Possibly Mr. Bache, or his publicity expert, meant to say "price" instead of "value." He probably doesn't know the difference between value and price. This, however, is unimportant. What is important is the terrific ignorance of these broker-economists, who arrogantly and impudently assume to lecture Congress and instruct the American people. The insolence of great wealth acquired through the Wall street game may impose upon some unthinking persons who venerate riches, but it will be properly rebuked in the not distant future.

The "Levy on Capital" Delusion

SUGGESTIONS for payment of all or a large part of the interest on war debts by what is termed a "levy on capital" have been put forward by representatives of Labor in various European countries, and the issue was raised in the British election contest by the Labor Party. No definite plan for the proposed appropriation of private capital has been outlined, but it is assumed that it will take the form of a tax levied directly upon the owners of property. It seems to be believed by a large number of Labor leaders that by taking for public purposes a considerable percentage of what they call "surplus wealth," the burden of heavy taxation that now crushes industry and trade could be materially lightened, to the advantage of the consuming public.

The erroneous belief is founded, as are so many illusory schemes for economic readjustment, on the popular misunderstanding of the nature and functions of capital. From the arguments advanced for the capital levy it would appear that its advocates think of capital as money;—the vast amounts of gold, government currency, or banknotes deposited in the banks. But money is not capital. Nor are government or private promises to pay money. The great proportion of a country's wealth represented by lands and buildings occupied as homes is not capital. Speaking accurately, capital is that form of wealth—labor products, devoted to the production of more wealth. For practical purposes it may be defined as buildings, machinery and other equipment employed in making and distributing goods.

Assuming that the proposed capital levy is undertaken, the interesting question arises: what would be the effect on production? How could a part of the factories or machinery be taken by government without seriously diminishing the output of goods? What effect would decreased production have upon the employment of labor, especially in such countries as Great Britain, largely dependent on the export trade? What use can be made of the confiscated capital in the payment of debts to foreign countries? The creditors do not want buildings or machines. Government could