

At the Sign of the Cat and the Fiddle

CONDUCTED BY E. WYR

THE year 1848 was truly a red-letter year.

In that year Karl Marx and Frederick Engels voiced the underlying meaning of the vast contemporaneous ferment of revolutionary thought by publishing the "Communist Manifesto," in which they pointed out in very clear words what there was to do. First, private ownership of land must be abolished and the rental value of land be collected for the use of the community. That the Manifesto of 1848 influenced English thinkers profoundly will be seen by its effects in two well-known instances. In 1850 Herbert Spencer's Social Statics gave notice to "Sir John and his Grace" that their privileges as land owners rest on the flimsiest of sanctions and should in all morals and justice come to an end. In the very same year, 1850, appeared The Theory of Human Progression by Patrick Edward Dove, in which he showed with a powerful and luminous insistence that nothing is more certain than the deliverance of the human race from the errors and superstitions of the past—pointing out how knowledge and science must sweep away man's mental cobwebs, and how out of new concepts of the relations of men to each other and to the earth on which they live will come the reign of Justice—which last means nothing more nor less than putting into actual practice the equal rights of all men to the use of the Earth and their enjoyment in common of what is called economic rent. Here then were three very important pieces of writing giving expression to the profoundest economic truth that the race has thus far discovered appearing, one might say, simultaneously, a full generation before Henry George.

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We recently asked a casual friend of the Sign of the Cat and the Fiddle, who chances to be a graduate of Harvard, what is going on these days at that ancient seat of learning. "Alas," said he, "the University has sustained a heavy blow in losing Prof. Baker of 'English 47' to Yale—the Dramatic Workshop is, I fear, a thing of the past. By way of compensation, however, and by the aid of another great man also named Baker, our wonderful School of Business is destined to lead to great developments in the important field of economics. Applied economics—that is the most important of all studies." And proceeding, our friend told us that already one output of the School of Business is the opinions and forecasts of the so-called "Cambridge Associates:" these have high appreciation in the world of business, their charts, curves and figures being worthy of the highest praise. A publication called the Harvard Business Review issues from the University and its editors have made it also highly meritorious and

valuable. We thanked our friend for drawing our attention to these interesting facts, and strangely enough shortly thereafter our attention was called to an article in the said Harvard Business Review written jointly by Messrs. William Trufant Foster and Waddill Catchings, an article which must have brought joy to the heart of dear old Mr. Baker, aforesaid, (who gave five millions to the School of Business for its new buildings), because the authors make a most readable examination of the radical indictment of our so-called "capitalistic" civilization, carrying the day for capital. Production for use and not for profit, they point out, is the very core of all radical programs. But where, they ask, do we find a clear conception of the origin and function of profits or the consequences of abolishing profits? Objectors to profits, harping on them alone, fail to mention that losses are far more extensive. Both losses and profits result from taking risks, and risks are universal. "The prospector drills where there may be no oil. The electric railway company constructs a road that the coming of the automobile may render useless. The bond buyer runs the risk of an inflated currency. For the orange grower there is danger of a frost; for the cotton planter, the boll-weevil; for the woolen manufacturer, tariff revisions; for the phonograph maker, the radio; for the railroads, Congress; for the contractor, strikes." Every business man must run risks. Every day he must make decisions. Postponing a decision is itself a risk. If I decide, in addition to taking the ordinary business risks to go farther and assume a gambling risk, I may thereby add to my profit or I may go broke. For instance, I may in order to increase my profit decide not to insure—a hazardous enterprise. On the other hand, I may decrease my risks to such an extent as to deny myself all hopes of profit. Paradoxically, safety first doesn't always pay when you try the pitfalls of business. But the business risks that seem to business men to transcend all others in importance are the risks that are due to consumers' freedom of choice.

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Now consumers, so the argument continues, have virtually unlimited freedom of choice. They have but to wait for any or all markets to be stocked with goods and then they walk leisurely by the stalls and purchase what they choose. What this means to business is that producers must produce with no assurance that consumers will enable them to get their money back. Now nobody can long run these risks unless there are chances of profit. Take the matter of advertising, by which the producer seeks to make a psychological impression upon the in-

different and heartless consumer. Even here the consumers decide, in the process of exercising their options, for what advertising they will pay. When they refuse to pay, those who have advanced the money are not reimbursed. And consumers are constantly making the refusal. Every year they decide that many thousands of concerns shall not collect enough in sales to cover the money they have advanced in attempts to influence choice. "This then is the gist of the matter: Somebody must determine what goods are to be produced; the decision must rest either with the Government or with consumers. It is impossible for any Government to perform this service with satisfaction to consumers. Therefore consumers must decide. The only way they can make their decisions effective is through exercising their freedom of choice in the ordinary course of marketing. This freedom of choice constitutes the chief risk of business and gives rise inevitably to profits and losses."

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The foregoing argument with its Q. E. D. reminds us of Bastiat's advice to consider "things that are not seen" as well as things "that are seen." And apparently the authors of this interesting article are quite ignorant of a few things that are not seen (but ought to be thought of nevertheless). According to them, producers are all working under an equality of opportunity and they have only to blame their own bad luck or the vagaries of consumers to account for their frequent failures. This would be interesting and important, if true. But generally speaking, the first successes made in any infant industry, before the business becomes "established" and gains the goodwill and approval of the consumer, will be found to be owing to some advantage coming under a special privilege, such as land ownership, a protective tariff, special exemption or escape from taxation, R.R. rebates or other functionings of what we call discrimination or graft. On such matters our authors are mute, and hence, as we said, their argument should be acceptable to such an upholder of "finance" and big business as dear old Mr. Baker. But remember that the Standard Oil Company was built up on the ruin of hundreds of oil producers who lacked the advantages of freight "arrangements" supplemented by the ownership of pipe lines. Remember that United States Steel rests its gigantic income upon its ownership of iron mines, coal mines, railroads and terminal facilities, which can by no possibility be duplicated. Remember that investments in rapidly appreciating land rents in favored localities have been the saving back logs of concerns like Marshall Field & Co. of Chicago (mentioned merely as an example), which have enabled a few of them to outride the storms of financial panics and the periodic doldrums of commercial exhaustion. These are some of the things that are either not seen by our two authors or if seen are carefully concealed. What then? Is their labor of any avail? Assuredly not. The

little shopkeepers and manufacturers will continue to scorch their puny, ephemeral wings in the fire of certain adversity, for they all seek to emulate the rich and powerful of industrialism. But the giants of our industries laugh at them. What then remains? Is the struggle for profits and the reaping of losses—a process which seems so inherent in the nature of things according to our authors, to go on forever? It cannot do this. Either the giants thru combination will gather all industry into their hands, as for example was done in the Ruhr districts of Germany, and a virtual dictatorship will develop, far more to the point than the ineffectual dream of socialistic control, or else on some unexpected Day the workingmen of the world *will* unite and vow they will be free! The programme of the C. L. P., that the rent of the land belongs to the people and that the first duty of government is to collect it, will, we suggest to our two friends, open to the little shopkeepers and the little manufacturers such a "fair field and no favor" as will place in their hands the enjoyment of economic wages greater, more stable and more satisfying than anything that can be allocated to the profits and losses they are the victims of at the present time—not to speak of the communal share of the enormous land rent fund which will be administered to the advantage of us all.

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The taxation question is coming to the front. It got a big boost when Florida adopted an amendment to its constitution prohibiting income and inheritance taxes within the State. This is a performance which people throughout the country can understand. It is worth fifty years of palaver in Congress over the tariff. It has directed the attention of the well-to-do to the matter of taxation to such an extent that Florida can hardly accommodate the tourists, visitors and investigators who are rushing down there in a stream. An enormous land boom is in progress (of course), and there will be by and by an opportunity for the public to connect up the relationship of land speculators to growth of population and industry. What will ultimately become of the inheritance tax as an institution no one can predict. The Socialists certainly are receiving many blows. Here come the President and the Secretary of the Treasury inveighing against the inheritance tax as a source for national revenue, both maintaining that estate and inheritance taxes are distinctly not taxes for the National Government to dabble in. Being really state matters, they say, leave them to the State. On the contrary, says the State of Florida (and up to this time Alabama also), we want none of them in ours! Mr. Mellon last year, before the Senate Finance Committee, maintaining the first contention, took a stand and incidentally uttered a disturbing thought. He considered that the cradle in which to rock the inheritance tax is the State and not the Federal Government. The States, according to him, are crying for this nourishment as if they were reaching out for their natural milk-bottles.

Why, said he, if you rob the States of their inheritance taxes, before you know it they will utter a cry for Taxes on Land! Could he have entertained a more horrible thought or have uttered a more terrible threat? Now we wonder what Mr. Mellon would say, if Florida, proceeding farther along the lines of emancipation, were to exempt improvements from taxation? Or was Mr. Mellon only trying to scare the Senate Committee? Living in Pittsburgh and of course hearing all about Pittsburgh's famous "Pittsburgh Plan" Mr. Mellon must know a thing or two. If not, where is Mr. Harry Willock? We think it ill becomes our distinguished Secretary of the Treasury, hailing from Pittsburgh, to make a bugaboo of the growing advantages of the tax on land (as he calls it). A decent respect for the glory of his own home town should have been sufficient to deter him from making that caustic allusion to the land value tax.

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A surprisingly interesting book is "The New Theatre Cinema of Soviet Russia" by Huntly Carter (London, Chapman & Dodd, Ltd., 1924), the aim of which is to analyze and synthesize the theatre which has been established in Soviet Russia since the Russian Revolution of 1917. Says Mr. Carter in his Preface, "No other country has developed a theatre so new and so strong, so life-centered and so unified. This theatre expresses more clearly than any other popular institution in Russia the Russian state of mind and its present amazing revolutionary exaltation. Its efforts are to create a new culture, new human relations, new conditions of life and thought. The Revolution has produced a new vision and it has set the people free to express this in the form most agreeable to them—viz, a dramatic one." Mr. Carter finds three main groups of activity in the new Theatre. There is the Left Group including the Theatre of Revolution (Meierhold's), the Proletcult Theatre, which strives to express the aspirations of Labor; the Club and Factory Theatres; the open-air Man and Street Theatres, (well illustrated by a political man-play which enacts the deposing of Kerensky and the enthroning of Lenin, the scene being the storming of the Winter Palace, 7 November, 1917. The performance takes place in the open square with the palace as an architectural background. One hundred thousand people take part in it.) To the first or Left Group also belong the Street Pageants and Worker's Cafes chantants and the Little Theatres of revolutionary satire. Then Secondly, there is the Centre Group, including Lunacharsky's Theatre and the Kamerny (Chamber Theatre), both State affairs with production of the highest order of excellence; the Jewish Theatres, the Children's Theatre, and the State Circus. Thirdly, to the Right Group belong Stanislowsky's Theatre, the Studio Theatres and the N. E. P. Theatres. Going back to the Proletcult Theatre, Mr. Carter states that this movement was designed to promote culture among the workers and to

encourage gifted young men and women from the common people, largely factory workers, in expressing themselves freely in art, drama, poetry and literature. It attracted the support of many able thinkers and workers, theorists and practitioners. What has the proletarian aesthetic grown to be? It is an aesthetic of the machine. "To the bourgeoisie the Machine is an instrument for exploiting the worker and enriching themselves. To the proletariat it is the greatest instrument for advance and happiness. In this new god they see their own social and moral attributes, their own vitality, strength, courage, steel nerves, persistency, precision, rythm, endurance, their love of science, moral justice and liberty." The text and the many illustrations of Mr. Carter's book describe very interestingly the surprising originality of technic which has been developed in this new art movement, an originality more daring than anything hitherto attempted. Lastly Mr. Carter tells about the Cinema or moving picture. Here again there is a proletarian movement. The working people want a Prolet-Kino—proletarian and revolutionary picture—no more of the Griffiths, Fairbanks, Chaplin, Pickford type of film. "Lenin told me many times," says Lunacharsky, the Minister of Education, "that among the instruments of art and education the cinema can and must have the greatest significance for the State. It is a powerful weapon of scientific knowledge and of the most effective agitation." This movement has been received with great enthusiasm. "Its greatest importance lies in opening before the eyes of workers everywhere the new forms of collective industry. Then the peasants of Russia, even in the remotest districts, will have the opportunity of watching the manufacturing of the new agricultural implements which the Soviet Government proposes to supply to them and in this way they will become interested in their construction and use."

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No matter what happens in the years to come to drag down from their high places the aristocracy of England—and perhaps the British C. L. P. will have a part in such a proceeding—the status of our American peerage would seem to rest on securer foundations. For here not only have we the hard cash, but in the heyday of our lusty national growth we are building up an entourage and an atmosphere of romantic class distinction (grown somewhat effete in the old world) with the subtle enthusiasm of our art and poetry; and soon our American literature will take on that large utterance of appeal to the nurse girl and the chamber-maid (if the two of them do not altogether disappear) which they have hitherto found in the perfectly lovely novels of English manufacture descriptive of high life in the British Isles. Why not allow to our humble though soulful working girls the aspirations of ambition mingled with the pleasures of the imagination? May not they too dearly love a Duke? Let pleasures fail, let

art and learning die, but leave us still our old nobility! We have been led to these observations by reading lately about what took place at Biltmore, N. C. upon the occasion of the birth of the heir to the vast wealth of the Vanderbilt-Cecil families. To quote a few lines taken from the press: "The tenantry of the baronial estate awaited in the lower hall in true English style, the advent of the heir. * * The announcement of the birth was the occasion for a demonstration by the children of the tenants. At the right moment they loosed lusty cheers in the direction of the room where the infant lay and where its mother also was born 24 years ago." Now isn't this in the best manner of the true type of well-proved staple English literary output? And this is what we meant when we indicated above that our American tenantry, having become dedicated to the nice observances and duties owing to the Lord of the Manor, will prove good material to our younger novelists and will ultimately be enshrined in our literature with all the glamor and constructive effect heaped upon them by generations of novelists in the old country who have so profoundly touched the heart of Nellie, the sewing machine girl, with their romantic tales of the peerage and of the stately homes of England.

Denver

AN amendment to the city charter will be voted here on May 19. The ballot title will be:

"For a Single Tax Amendment to the Charter of the City and County of Denver to secure Lower Rents by Exempting new dwelling houses from the city tax at once, and by reducing the city tax ten per cent. each year on personal property and improvements."

The secretary of the campaign committee for this amendment is our old friend Barney Haughey. When this measure was last presented it received 12,171 votes with 31,448 opposed.

In an address issued to the voters Mr. Haughey says:

"If you vote against this bill you can keep right on paying high rents, but stop growling.

If your neighbors don't understand it show them how similar laws are working in Pittsburgh and New York.

If that does not make the matter clear to them we must elect school directors who will see that the science of taxation is taught in the public schools."

L. T. TABER, of Barnesville, Ohio, master-elect of the National Grange, says Ohio must have a state income tax and also derive revenue by taxing what he calls the "privilege" of using the highways. Whether he wants to introduce tollgates again, or not, he did not say; but his two proposed taxes would increase Ohio's source of revenue to an even 100. He also says that real estate "pays 90 per cent. of the taxes." The highest any Ohio real estate board has heretofore claimed is 65 per cent. and that is absurd enough.

Mrs. Von Twilliger of the Oranges Replies to Mrs. Van Allen, of Manhattan

By JOSEPH DANA MILLER

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DEAR ALICIA:

Your welcome letter received. I was overjoyed to hear from you. But I never could quite understand, my dear Alicia, your attitude toward the working classes. It is so unsympathetic. I am sure that much can be said in extenuation of the poor people who have to work.

Now with me, I am up to my ears in reform work. I am really quite a radical. I have even done something to advance the Mothers' Pension Measure, and have been elected president of the Orange Club to get a bill through the legislature. I have even skirted, as one may say, the more radical and as you perhaps would call it, the dangerous Minimum Wage Law. I almost feel that my enemies might call me the Emma Goldman of the Oranges. I am really quite emphatic and pronounced. I feel like a Joan of Arc.

But you, with your lack of passionate sympathy for the working classes, cannot expect to be in accord with me in my levelling work, as you might term it. You never were democratic and universal—in spite of your brilliancy—and I know you will forgive me for saying this, Alicia.

I know, of course, why the poor are poor. They have so many things to buy, and they need so much, and there is so much illness among them. And then there are other reasons.

I think we should be grateful for the poor. I was thinking the other day of what a world this would be were there no poor. Then no one would take care of our streets and sewers. The distasteful work of the world would have to remain undone. And then the dirt and filth would be frightful.

As I say, I am interested in the Minimum Wage. You know this is the proposal for a law which would fix wages at a certain point, after carefully calculating just what is enough. I am sure that settles the wage question—don't you think so? Certainly the lawmakers can judge what should be paid to the workers—working girls, for instance, after estimating the cost of necessities and allowing a little for moving pictures, face powder and little luxuries like that. It is a simple matter to estimate such needs, and to equalize and apportion it all. I am amazed that people never thought of it before.

Myra—you know my niece Myra—thinks that the Minimum Wage Law might tempt employers to keep wages down to a certain level, and she wanted to know—she is really quite dense at times—why we should not have a Maximum Wage Law. She says the maximum rather