

refused \$6,500 later on, and which has just been sold for \$1,525. It appears, however, that the high price refused was an attempt to "hold up" the owner of a factory next door, who wished to extend their plant; also that there were some old buildings on the plot.

All that the Single Taxers answer to this is, that it illustrates several of the evils of the present system of land-holding. If the owner of that plot had been compelled to pay its actual rental value every year into the public treasury, he would have found it unprofitable to keep the plot in an almost unimproved condition. If he had not wished to improve it, he would have let the factory owner next door have possession for a very small compensation. The mere knowledge of the fact that if the privilege of using that plot became more valuable year by year, such additional value would have to go into the public treasury, would have a strong tendency to prevent withholding such land from use; even in the expectation that sometime the factory owner could be "held up."

The purchase price paid for land is simply the estimate of the buyer as to what it is worth his while to give in order to have the privilege of the use of that land, or to be able to collect rent from someone else for that privilege. If the annual rental value increases, the buyer has made a good guess; if it decreases, he has made a bad guess. In either case the selling price is a gamble, and part of a game in which most of the players lose, while a few get away with the large stakes.

These cases of decrease in the selling price of land emphasize the importance of talking less about "unearned increment," and more about the private appropriation of ground rent. The Single Tax is not a proposition to take the "unearned increment," but to destroy all capitalization of rental values. If all of the annual rent is taken in taxation, there will be no "unearned increment" to take.

If land values in the city referred to have declined it is possibly because originally these values were based on expectations of growth that did not materialize. If, however, business is declining and population decreasing from some economic

reason (perhaps the superior location of a competing city) there will be more losses than if the Single Tax had been in force. The buyers of land who made a bad guess will have lost their money. Had the Single Tax been in operation, the annual rental tax would have risen as location became more desirable, and then decreased as the city "declined," so that no one would have suffered financially.

BELIEVES THE TARIFF IS NECESSARY.

Editor Single Tax Review:

Much has been said and written relative to the inconsistency of terming our movement the "Single Tax." My own experience has revealed very clearly the foolishness of the term. Is there the slightest intimation that there ever will be but one "single tax? While I agree with the Georgian theory in its main aspects, I am not one of those who can find it expedient to do away with several forms of our present system of taxation.

The excise tax, it seems to me, serves a good purpose in that it tends to discourage the distribution of certain products which are harmful to the social community. Is it advisable to dispense with this form of taxation? To the extent that the tax on "improvements" is deemed injurious to the laboring classes just to that extent would the abolishment of the excise be to that same class of individuals. Where is the consistency of such a scheme?

Then there are those Single Taxers who can see no plausible reason for retaining the tariff on certain industries, which seem to need the protection of the duty. They offer no tangible excuse why the tariff should be eliminated except that as Single Taxers it does not conform to their ideal of what constitutes a proper system of taxation. There is no doubt whatever but that certain industries now in the United States need the services of the protective tariff, and any attempt to abolish it will result in upsetting the present wage scale, which by the way, is not governed by any consideration of the labor expended in the production of the given com-

modity. Do not confuse my meaning. My contention is that while the wage scale is comparatively low, it will be much lower as soon as the tariff is removed.

I should be pleased to hear the views of Single Taxers on these points. To indulge in a little consideration of them may help in small measure to clear the atmosphere to the extent that some definite steps will be taken to apply some consistent name to this most important movement.

V. E. FEHRNSTROM.

MAPLEWOOD, Mass.

ANSWER.

(We are glad to welcome protectionists to the Single Tax fold. They will not remain protectionists for long. Single Taxers *do* offer tangible excuse (reasons) why the tariff should be removed, and one of these is that tariffs instead of raising wages or even maintaining them actually lower them.

This is the experience of every country which has ever lowered or removed the protective features of its tariff upon imports. It is even the experience of our own country, but it is notably that of the United Kingdom. It is also that of the German Empire whose *zolferein*, or customs union, vastly increased its area of free trade by the destruction of tariffs prevailing between principalities. The inability of tariffs to raise or maintain wages is also demonstrated by the experience of most highly protected countries where wages are lowest. Read Protection or Free Trade, by Henry George—Editor *Single Tax Review*).

Herbert Quick's fascinating story in the *Cosmopolitan*, "Virginia of the Air Lanes," teaches a Single Tax lesson. It's a rattling good story, too.

THE *Arena* has ceased to exist. In its place will be the *Twentieth Century Magazine*. B. O. Flower will edit the new venture and we wish him all success.

The *Catholic Register* is a weekly paper of Denver, of which our old friend John B. McGauran is editor.

GEORGE ANNIVERSARY CELEBRATIONS.

Single Taxers of several cities are busy making preparations for adequate observance of the birthday of Henry George on September 2nd. Pittsburg is the first in the field, the Single Taxers having held a meeting for preliminary arrangements at the Seventh Ave. Hotel in that city on June 22nd. Invitations have been extended to the fraternity in Beaver County to join with Pittsburg in making the celebration a success. Mr. M. McNeill, the secretary, has the matter in charge. He may be addressed at 218 Amanda Avenue, Pittsburg, and Single Taxers in the vicinity are urged to communicate with him.

Our readers will remember that this is the 70th anniversary of the birth of Henry George and the thirtieth anniversary of the publication of *Progress and Poverty*.

New York will honor the occasion by a dinner or "Clam bake" given by the Manhattan Single Tax Club at Feltman's, Coney Island, on the evening of Saturday, Sept. 11th, at 6 o'clock. Those desiring tickets should address Geo. R. Macey, 33 Warren Street, N. Y. City.

THE Commission having in charge the Joseph Fels Fund of America have issued a second call, accompanied by a letter from Hon. Tom L. Johnson.

THE *American Ideal* is a bright, breezy Single Tax paper, full of short, crisp articles and published by John H. Meyer, at 2588 Seegar Avenue, Cincinnati, Ohio.

IN the issue of the *Amalgamated Journal*, May 27, which is the official organ of the Iron, Steel and Tin workers, is a review of Mr. Fillebrown's A. B. C. of Taxation in which the writer seems to think that the capitalist with his factories and machines is the real exploiter of labor. To this in the same journal for June 10, Mr. Fillebrown replies with his usual clearness and tactfulness.