

March—April, 1941

Land and Freedom

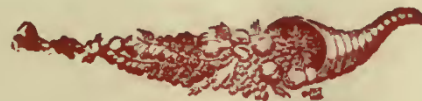
An International Journal of the Henry George Movement Founded in 1901

The Current Tax Scene
Latest Developments and Problems

Greece

Her Economic Background

Pavlos Giannelia



The Land of Plenty

A Playlet in Six Acts

Henry J. Foley

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LAND AND FREEDOM

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(Founded by Joseph Dana Miller)

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March—April, 1941

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WHOLE No. 225

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INDEX TO CONTENTS

	PAGE
COMMENT AND REFLECTION	39
THE CURRENT TAX SCENE	40
GREECE—HER ECONOMIC BACK- GROUND	45
Paylos Giannelia	
RENT AND THE TAX FUND	47
Robert Schley	
WHEN THE WAR ENDS	49
THE LAND OF PLENTY	50
Henry J. Foley	
A TILT AT BLACKSTONE	53
THE CRITICS CRITICIZED	55
Jacob Schwartzman	
AN INTERVIEW WITH ALASKA JANE	59
ART AND SOCIETY	61
Ami Mali Hicks	
"WILLING TO WOUND, AFRAID TO STRIKE"	62
Douglas J. J. Owen	
OUR CANADIAN LETTER	64
Herbert T. Owens	
SIGNS OF PROGRESS	65
THE POWER TO EXACT WAGES ..	68
Dr. Royal E. S. Hayes	
BOOK REVIEW	68
CORRESPONDENCE	69
NEWS NOTES AND PERSONALS.....	71

WHAT LAND AND FREEDOM STANDS FOR

We declare:

That the earth is the birthright of all Mankind and that all have an equal and unalienable right to its use.

That man's need for the land is expressed by the Rent of Land; that this Rent results from the presence and activities of the people; that it arises as the result of Natural Law, and that it therefore should be taken to defray public expenses.

That as a result of permitting land owners to take for private purposes the Rent of Land it becomes necessary to impose the burdens of taxation on the products of labor and industry, which are the rightful property of individuals, and to which the government has no moral right.

That the diversion of the Rent of Land into private pockets and away from public use is a violation of Natural Law, and that the evils arising out of our unjust economic system are the penalties that follow such violation, as effect follows cause.

We therefore demand:

That the full Rent of Land be collected by the government in place of all direct and indirect taxes, and that buildings, machinery, implements and improvements on land, all industry, commerce, thrift and enterprise, all wages, salaries and incomes, and every product of labor and intellect be entirely exempt from taxation.

That there be no restrictions of any kind imposed upon the exchange of goods within or among nations.

ARGUMENT

Taking the full Rent of Land for public purposes would insure the fullest and best use of all land. Putting land to its fullest and best use would create an unlimited demand for labor. Thus the job would seek the man, not the man the job, and labor would receive its full share of the product.

The freeing from taxation of every product of labor, including commerce and exchange, would encourage men to build and to produce. It would put an end to legalized robbery by the government.

The public collection of the Rent of Land, by putting and keeping all land forever in use to the full extent of the people's needs, would insure real and permanent prosperity for all.

"It would require less than the fingers of the two hands to enumerate those who, from Plato down, rank with Henry George among the world's social philosophers . . . No man, no graduate of a higher educational institution, has a right to regard himself as an educated man in social thought unless he has some first-hand acquaintance with the theoretical contribution of this great American thinker."—JOHN DEWEY.

Land and Freedom

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No. 2

Comment and Reflection

I HAVE never claimed to be a special friend of labor . . . What I stand for is equal rights for all men." These memorable words were pronounced by Henry George before an audience of workingmen, and were in reply to an intimation by the preceding speaker that George was a patron of labor. The author of "Progress and Poverty" refused to conceive of laborers as wards who needed guardians, and disowned any idea of friendship which included special rights or privileges for particular groups. Aware of the evils associated with privilege, Henry George constantly sought to instill in labor an appreciation of its inherent dignity. He did his best to discourage the paternalistic order which labor was helping to bring about in government, and which today has grown to Frankenstein proportions.

BY a seemingly curious development, the servility which seeks special favor ultimately takes on the cloak of tyranny as its objects are attained. It is the old story of the swing of the pendulum. The development of picketing illustrates this point. It began apparently as a defensive measure; it was a device for apprising the public of the "unfairness" of a particular employer in his relations with his employees. Today, aided and abetted by preferential legislation and judicial acquiescence, it has become an instrument of intimidation to coerce not only an immediate employer, but those in business far removed, and the public itself.

PICKETING is said to be justified as an expression of the freedom of speech and assembly—but this sort of unchecked "freedom" usually leads to "Stand and deliver!" The truth is, that strikes and picketing and the other devices of organized labor, are part of the distortions caused by our unsound economic system. The basis of it is indeed a "lock-out"—but not of the capitalistic variety assumed by workingmen. Denied free access to the resources of the earth, workingmen, sensing that they have some rights, resort to picketing to *force* others to employ them. The "freedom" to engage in this type of activity would automatically be inoperative in a true economy of freedom. This is what Henry George had in mind when he sought to champion the dignity of labor rather than curry a debasing friendship. Certainly he would condemn all legislation sought by trades unions aiming at monopoly. He would oppose, as being contrary to the spirit of freedom, those ordinances and regulations which forbid any but union members to be employed, not only in skilled professions but in the most trivial occupations.

ANOTHER of the growing pains of a patronized labor is the so-called jurisdictional fight between the different unions. This farcical performance compels the employer, once the only conceivable "foe" of labor, to witness the internal disputes of his employees while the plant lies idle. When not brick-battling each other, the rival camps engage in petitioning the government to certify this and that in their respective favors. Here is a chance for labor to learn the lesson that paternalism is fickle, and that to depend on it is to put one's faith in princes. Perhaps there was something more than mere irritation in President Roosevelt's "A plague on both your houses" to the C.I.O. and the A.F.L. It may be that in that utterance the workingman may find a clue to the distinction between the special friend of labor and the deeper friendship of Henry George.

DESPITE the errors of its ways, we cannot bring ourselves to falling out with trades-unionism. Some one has said that you cannot indict a nation; we will concede as much to the workers. Even in the matter of sit-down strikes there is reason to believe the men have not been behaving as badly as has appeared. To be sure, law-abiding citizens revolt at the spectacle of employees seizing the property of their employers. On the other hand, the men reason that sitting down on "capital" is necessary to safeguard their livelihood. Certainly the "capitalists" have done very little in educating labor to the realization that capital and labor are not antagonistic in the politico-economic sense. "Capital" signifies to labor only a conglomerous mixture of land, resources, wealth, etc. It is therefore a fact that in sit-down strikes, especially in the case of the larger industries, whose owners are not only capitalists, but landlords and monopolists withal, the workers are to a great extent ousting their employers from the possession of unearned wealth and natural resources.

NEEDLESS to say, however, the strikers are only blundering into the real cause, and while they may incidentally be challenging their employer's right to monopolize natural resources, the great truth remains obscured. The mass of workingmen do not yet realize that the primary workshop of labor is not the factory but the land. They are not aware that a much more grievous "sit-down" is being perpetrated by the owners of the earth and its resources. What a great force for progress would be released if mankind's heritage were truly understood and the idea of sitting down on "capital" were translated into more intelligent action!

The Current Tax Scene

Some Reflections on Taxes

By GRACE ISABEL COLBRON

FROM the last days of February to the middle of April, everybody is tax-conscious. John and Jane Doe are paying their income tax and are greatly interested in the reasons for the tax, what it is used for, etc. Learned professors give lectures on taxation, clubs and forums talk about taxation, leading newspapers give editorial space to the subject, and so on. Then, when the deadline for paying the income tax has passed, interest fades. John and Jane Doe go about their usual occupations, serene in the notion that their "tax troubles" are over for the year. Seldom do they realize that part of every dollar they spend is taken by half-hidden "nuisance taxes."

Unfortunately, the concern shown by the plain citizen in this matter of taxation seems to center itself on how the taxes are *spent*, rather than how they are *raised*. This is odd, because I feel sure that most of these decent plain citizens, when they were quite young, heard from an admonishing father the advice, "Earn your money honestly, my son, or you'll never spend it wisely." John Doe usually does try to do just that. But he fails to realize that his community is not earning its money honestly, that it is robbing its citizens of their earnings, and not taking what is its own—the land values which the community itself creates. Not taking these values, the community has to go into John Doe's house and tax everything he owns and buys. And yet John Doe is more concerned with how his community *uses* its revenue than how it *gets* it.

John Doe goes to meetings and listens to high-sounding words about "fair tax rates based on realistic valuations," "improved methods of accounting and tax billing," "establishing fair tax schedules and property valuations." He hears about extravagant government spending. All over the country, well meaning citizens are urging government economy and improvement in tax techniques, while the values that really belong to the community are permitted to slip into private hands.

Another obstacle in the way of John Doe's understanding of the tax question is the term "real estate." To the average citizen, "real estate" means the land and improvements thereon, and frequently he thinks of it only in terms of those improvements. And so he is deceived by what we hear so often nowadays—"the tax burden on real estate." Taxpayers' Federations and similar organizations are worrying just now about this "burden." Seldom does John Doe think of

the land beneath his house, the location of which makes up a considerable part of the value of his "real estate." And seldom does he reflect that the community-created land values should bear the burden of community expenses.

I am certain that John Doe is quite aware of what makes land valuable, but he does not realize that here is the value which belongs of right to the community.

I would like to relate a story which illustrates this point. In a New England town, where I own a house and an acre of land (a town which is small in population, but stands high in taxable wealth), the fine old custom of Town Meetings is still kept up. One evening the Town Meeting concerned itself with the matter of upkeep for two handsome new buildings, senior and junior high schools, of which the town is justly proud. But the Taxpayers' Association was worrying, as usual, about the town's yearly expenses, and proposed taking ten thousand dollars off the yearly appropriation for the schools. Several worthy citizens made sentimental speeches about the value of these schools for their children, arguments which merely seemed to amuse the meeting. Then I got into the discussion and asked whether it was not possible that these two school buildings, with the opportunities they offered to parents with growing children, added at least ten thousand dollars to the yearly value of the land of the town. This caused a mild sensation, but, the hour being late, the matter was not further discussed. Later, a prominent citizen—a leading jurist—approached me, and said he wished he had thought of that argument. He cited rising land values near the schools, particularly one overgrown lot with a ramshackle building on it, unsaleable for years, and now sold for a good price—"because it was so near the schools."

John Doe understands pretty well what makes land values, but he does not see its connection with the taxation problem that bothers him. This is unfortunate, for only when all citizens understand this important question can the solution be found.

New York's Latest Assessments

THE latest official report on New York City's assessed valuation of taxable real estate was given in February, in a statement to the press by William Stanley Miller, President of the Tax Commission. (The Tax Department and the Tax Commission have been operative since the new City Charter was adopted in 1938. The former name was Department of Taxes and Assessments.)

Ever since 1904, when Lawson Purdy succeeded in his campaign to provide for the separate assessment of New York's land and improvements, such separate assessment has been a statutory requirement. However, in Mr. Miller's recent statement to the press, which is quite detailed, no distinction is made between these two radically different forms of property. Land and improvements are spoken of only under the collective name, "real estate," and the only distinction made is between the "three classes of property"—ordinary real estate, real estate of utility corporations, and special franchises. The figure given by Mr. Miller for the tentative assessed valuation of ordinary real estate, for 1941-42, was \$14,334,807,948, including the five boroughs of Greater New York.

Since no separate figures were given for land and improvements, Mr. Harry C. Maguire wrote to the Tax Commission, requesting a breakdown of the figures. In reply, he received the following figures on ordinary real estate:

(Tentative Valuation for 1941-42)

Land	\$6,787,086,103
Improvements	7,547,721,845
Total	14,334,807,948

It can be seen that improvements are assessed at over \$760 millions more than land. Manhattan is the only borough where land is assessed at a higher figure than improvements. The figures in that borough are: Land, \$3,718,190,485; Improvements \$3,128,811,365; giving a total of \$6,847,001,850.

For the past ten years, New York real estate has been declining in value; and during the same period, the assessors have been assessing land at a lower figure than improvements. The assessment of land had reached its peak in 1931, when the figures were:

(Valuation of Ordinary Real Estate for 1931)

Land	\$9,024,155,671
Improvements	8,737,356,696
Total	17,761,512,367

While landowners have succeeded in getting their holdings assessed lower and lower each year, and while they have succeeded in securing a tax limitation on real estate, the City's budget has been just as steadily increasing. The 1941 budget is \$677,892,134.

Until two or three years ago, a single tax on land values, in the amount of the present 2.9% on the assessed value plus 5% on the capitalized value, would have been more than ample to cover the budget. Today, such a tax on the land of ordinary real estate plus the land of utility corporations would fall about \$100 millions short of the present budget. This however, does not take into account the value of special franchises. The latest franchise figures have not been published, but it is reasonable to suppose that they would more than make up the difference.

However, as long as the proposals of Henry George are ignored, the budget will continue to rise, and landowners will continue to get lower assessments. Ironically enough, these are the very conditions that are used as arguments against a single tax on land values.

Taxes and Trucking

By ROLAND RICE

Assistant Counsel, American Trucking Associations

[An address delivered at the February meeting of the Women's Single Tax Club of Washington.]

MEMBERS of the Single Tax Club may be interested in knowing something about the trucking industry, particularly in view of the fact that motor carriage is a relatively new form of transportation. You will be interested to know that there are 3,500,000 employees in the industry throughout the United States. That is a large figure—more than three times as many as employed in any other form of transportation. Of the 4,500,000 trucks in the United States some 600,000 are for hire and subject to the Interstate Commerce Commission. Regulation, according to the Commission, is as complete as that under which the railroads operate, if not more so.

Not only does this industry serve all places that are reached by rail and water but, in addition, serves over 48,000 other towns which are not served at all by rail transportation. To all these points and places we give an expedited service carrying every type of commodity. You might be surprised to know the amount of fruit, milk, berries, fresh vegetables, etc., that are hauled to our cities by motor truck. Livestock of all descriptions moves in great quantity. Every item is included, from a thimble even to a railroad engine itself.

This group will be interested to learn that highway users paid \$1,850,000,000 in taxes in 1940. 38 per cent of all taxes in the United States are paid by highway users. In special taxes the trucks themselves, as distinguished from other types of vehicles, paid over \$430,000,000 in 1940.

One of our problems which is significant to you is the multiplicity of these taxes. If we could pay all our taxes as one; if we could pay them as ten taxes, or even as fifteen, we should be happy indeed but highway users actually pay as many as twenty-eight or thirty taxes, all types combined. We are glad to say to the single taxers, that we long for the time when taxation will be greatly simplified. What a Utopia if there were only one tax bill!

There are many barriers today to interstate transportation by motor vehicle. Some of these are tax barriers resulting from a pyramiding of an accumulation of taxes. Frequently the special license plate taxes alone required in

moving within three states will cost well over a thousand dollars. There are many instances of individual vehicles which pay \$1,500, and as high as \$2,000 a year in special taxes. You will agree that it is exceedingly difficult to perform economical transportation with this tax burden. And much of this results from the failure of the states to recognize taxes paid in other states. In other words, reciprocity is not granted by all our sovereign governments within this country, and the result must be borne very largely by the people themselves.

There are size and weight restrictions, and equipment restrictions. No truck has been made which can travel in all forty-eight states and be within all the laws. One state permits 40,000 pounds as gross load, whereas its neighbor may permit only 35,000 pounds. Some trucks may be limited to 18,000 pounds. Texas has the distinction of permitting a pay-load of only 7,000 pounds if it goes beyond a railroad station. Not many guesses are necessary to discover who supported such a proposal in the legislature of that state. What is proper in one state is improper in another, although the state line is really imaginary, and the roads as good in one as in another.

And there are efforts to Balkanize our country by setting up ports of entry that correspond with customs officers such as are known in Europe. These ports of entry embarrass and delay interstate commerce and serve to increase the burden on the ultimate consumer. We oppose them as being unnecessary, uneconomic and un-American.

(Following Mr. Rice's talk, various members of the Club stressed the advantages that would accrue to the truckers by the substitution of a single land-value tax in place of the multiplicity of taxes now imposed.)

The Tax Institute

FOR all persons and groups interested in taxation and public finance, whatever their point of view, reliable information on this subject is essential. Needless to say, facts and figures in this field of ever-growing importance is of great value to those advocating the tax reforms of Henry George.

There is an organization devoted to the work of impartially compiling and making available information on tax matters. This is the Tax Institute. "Give the people the facts, and they will determine the policies," is one of the slogans of this Institute.

The Tax Institute was until recently known as the Tax Policy League. It was organized in New York in 1932 by Harold S. Buttenheim, editor of *The American City*, and a civic leader in many fields. Mr. Buttenheim (an advocate of land value taxation) saw the need for tax research, and

secured the cooperation of Dr. Mabel L. Walker, an able student of the subject, in the venture.

Recently the Tax Policy League received a grant from the Alfred P. Sloan Foundation, and thereupon became affiliated with the Wharton School of Finance and Commerce of the University of Pennsylvania. At the same time it moved its headquarters to Philadelphia and changed its name to Tax Institute. Dr. Walker is now Director of the Institute, and Mr. Buttenheim serves on the Administrative Board, which also includes such leaders in the educational and civic worlds as Frederick L. Bird of Dun & Bradstreet, Prof. Ernest Minor Patterson and others. On the Advisory Council appear many other prominent names, such advocates of land value taxation as William E. Clement (Secretary of the Benjamin Franklin Research Society), John A. Zangerle (Auditor of Cuyahoga County, Ohio), and others.

What do national, state and local budgets amount to? What are the total tax collections? What are the principal sources of revenue? What is the public debt? What can be done about interstate trade barriers? These are a few of the questions that the Tax Institute undertakes to answer in a form which can be readily understood by the layman. The program of work is as follows:

1. Preparation of an annual compilation of tax collection findings, based on data furnished by Federal, state and local officials.
2. Publication of a monthly information bulletin, each issue related to one particular tax topic and containing notes on new tax legislation and publications.
3. Publication of a semi-monthly information sheet.
4. Organization of a national symposium once a year on some tax problem of current importance.
5. Maintenance of an information service for the purpose of answering queries of both members and non-members.

The Tax Institute has of late been directing its attention to the matter of interstate trade barriers realizing the seriousness of the development. The December 1940 symposium was on "Tax Barriers to Trade," and a book on the subject is being published by the Institute. A recent issue of *Tax Policy* (the monthly bulletin) was devoted to the question, "What can be done about interstate trade barriers?" Since Kansas, in 1933, set up "ports of entry" on major highways entering the state, and levied "tariffs" on certain types of goods seeking entry, fourteen other states have adopted the system. The Federal government has become alarmed at the situation, and is trying to cope with it. *Tax Policy* has this to say:

"Trade barriers are an example of protectionism whereby the citizens of one governmental area seek to protect themselves from the products or services of citizens in another governmental area. Such protectionism interferes with the

free flow of trade and tends to make prices of protected goods and services higher than they would otherwise be. The smaller the area and population around which these protective barriers are set up, the greater the handicap to consumers is likely to be. The archetype of trade barriers is the tariff on foreign products.

"In recent years a complex mass of restrictive taxes and regulations has been imposed by the states and local governments. This development has now reached such a stage as to cause serious concern to citizens in this country who see in this process the disintegration of the United States as a great free trade area within its own boundaries."

In an address at the Tax Institute symposium on trade barriers, Prof. F. Eugene Melder of Clark University described the "vicious circle" leading to the resort to interstate barriers:

"Unstable economic conditions cause state revenue sources to dry up and, at the same time, cause state functions to be expanded. The states then tax consumers with high consumer taxes, which encourage consumers to seek means of evasion or force curtailment of their purchases. Then the states must tax again to prevent evasion, and to protect their revenues, with the result that the free flow of goods in interstate commerce tends to be impeded, it becomes more difficult to do business, and business conditions tend to become more unstable, as larger portions of consumer purchasing power are drained off in regressive forms of taxation. The circle is completed in that unstable business conditions arise from state attempts to increase stability of revenues."

Another recent issue of *Tax Policy* was devoted to Debt Limits. "What has been the value of debt limits?" is asked in this issue, and the answer follows:

"Well, just about that of the Maginot Line. Taxpayers have concentrated on what they thought was an impregnable fortress and then gone to sleep behind it. The practice of writing rigid debt and tax limits into state constitutions is, to a large extent, an example of civic laziness. It is easier to write in constitutional limits, which will (it is fondly hoped) take care of the problem of governmental extravagance once and for all, than to be bothered with the constant attention to governmental problems and constant adjustment to changing conditions. Hence limitations are written into the constitution. But when they become unworkable, means of escape are added; then new limits are set up; and so on and on until finally the network of regulations affecting local financing becomes a crazy patchwork in which it is practically impossible for the citizen (or even the governmental official or research bureau for that matter) to discover what is what."

Tax Policy compiled from headlines in the *New York Times* the rise in the public debt during the last decade. The picture looks like this:

Dec. 31, 1933—PUBLIC DEBT RISES TO \$23,534,115,771

June 17, 1934—PUBLIC DEBT GOES BEYOND 1919 PEAK—
\$27,005,438,125 TOTAL

Jan. 4, 1935—PUBLIC DEBT HITS AN ALL-TIME HIGH
FIGURE AT \$28,478,663,924

Dec. 2, 1935—DEBT OVER \$30,000,000,000

Mar. 12, 1936—PUBLIC DEBT RAISED TO \$31,400,000,000

June 30, 1936—GOVERNMENT DEBT NEARLY \$34 BILLION

Dec. 14, 1936—FEDERAL DEBT SET AT \$34,232,200,000

Mar. 3, 1937—NATION'S DEBT RISES TO \$34,600,780,711

June 18, 1937—THE NATIONAL DEBT ABOVE \$36 BILLION

Apr. 2, 1939—FEDERAL DEBT GOES PAST \$40,000,000,000

Jan. 4, 1940—DEBT \$41,942,456,008 ON DEC. 31

July 4, 1940—NATION'S DEBT NOW IS \$42,967,000,000

Sept. 19, 1940—DEBT PASSES \$44 BILLION BEFORE DE-
FENSE LOANS

Dec. 21, 1940—FEDERAL DEBT PASSES THE OLD \$45-BIL-
LION LIMIT

And so the Tax Institute proceeds in its attempt to take the mystery out of our complicated tax structure. As one of the members, Mark Eisner, humorously put it, "Our role must be . . . to reveal the system in all its creaking nakedness so that all may gaze at it—and know it—and perhaps even do something about it."

The idea behind all this is that it is the duty of citizens in a democracy to keep informed on public finance—that it is their concern. Says Dr. Walker: "In a totalitarian government the dictator can dispose of people's lives, labor and money as he sees fit, and public information on taxes and expenditures would be of little use, even if it could be made available. But in a democracy where the citizens have the ultimate responsibility for the financing and administration of government, accurate and unbiased information is fundamental to the efficient functioning of democracy. If the Tax Institute can furnish such information in ever-increasing measure to an ever-increasing number of citizens, it will have performed a useful function."

• • •

THE art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least possible amount of hissing.

JEAN BAPTISTE COLBERT

The Power to Tax

The U. S. Supreme Court Reverses Itself to Oblige the Landlords

By J. RUPERT MASON

ON February 10, 1941, unnoticed by most newspapers, the U. S. Supreme Court denied a petition for a rehearing in the case of *Pacific National Bank v. Merced Irrigation District*, an event which involves fundamental economic and governmental policies far beyond the immediate facts. It marks the complete abandonment by our highest Court of the doctrine of dual sovereignty, as it had been interpreted by that Court in scores of previous decisions, ever since *McCulloch v. Maryland* (1819).

In a nutshell, it means that the sovereign power of the States to tax the value of land is no longer sovereign, but is subject to interference, regulation and control by Congress. The decision of the Supreme Court in *Pollock v. Farmers Loan & Trust Co.*, which holds that Congress cannot tax land values, except subject to the rule of apportionment (which means Congress cannot tax real estate), is still in effect and has not been modified in the least by any subsequent opinions. But, although Congress cannot tax the rental value of land, it can now interfere with the right and duty of a State to tax land values, where the State has authorized one of its governmental agencies to borrow money and pledge the future revenues from taxes as security for the money borrowed.

In *Ashton v. Cameron County* the Supreme Court in 1937 held squarely that the Constitution grants the Congress no such power, under any clause in the Federal Constitution, and that "Neither consent nor submission by the States can enlarge the powers of Congress." The Court also said in the *Ashton* decision, "Our special concern is with the existence of the power claimed—not merely the immediate outcome of what has already been attempted . . . The power 'to establish . . . uniform laws on the subject of bankruptcies,' can have no higher rank or importance in our scheme of government than the power 'to lay and collect taxes'. Both are granted by the same section of the Constitution, and we find no reason for saying that one is impliedly limited by the necessity of preserving independence of the States, while the other is not."

The Merced Irrigation District of California, which petitioned for bankruptcy under the Bankruptcy Act, refused to accept the *Ashton* decision as binding on it, and took its case to the Supreme Court, which denied the Merced District's petition.

But landlordism never gives up. It was no time until the forces were set in motion to get Congress to amend the

Bankruptcy Act regardless of the fact that the Supreme Court held in the *Ashton* case that Congress was wholly without any power under the Constitution to subject the taxing power of the State to the Bankruptcy clause in the Federal Constitution. With brief hearings in one Committee only, and without debate or even a record vote in the House, the amendment (11 USCA 401-404) was gotten through the Congress and signed by the President. It omitted any mention of State consent, while the former law did call for State consent. The first test case under the new law was decided against the Federal Government by the U. S. District Court, and the Government appealed direct to the Supreme Court. The lower Federal Court construed the *Ashton* decision as controlling, but the Supreme Court, with several New Deal appointees, made an about face and reversed the District Court, in *U. S. v. Bekins*. They held the amended Act "not unconstitutional". Soon thereafter, the Act was further amended by Congress to include counties and certain other taxing units of a State, in addition to cities, school, road, irrigation and other districts already included.

This second amendment was signed by the President in 1940 (HR 9139).

Almost immediately, a number of counties, cities and districts of many kinds began filing petitions under the amended Act, mainly those of Florida and California, where the aftermath of the land speculators was heaviest. The new Act differed chiefly from the first in that it had a "separability" clause. Thus, the Court might hold the Act valid as to some units of a State, and invalid as to others. Meanwhile the Supreme Court in California ruled for the first time that all the functions of its Irrigation Districts are considered "Exclusively Governmental", and that each such District and all its properties constitute an indestructible "Public Trust" (Enclave) owned by the State, and that the full rental value, present and future of the land, or as much as may be necessary to repay money lawfully borrowed, is decreed a part of that "Public Trust". Hence if there is any kind of local government that cannot be brought under bankruptcy, it was clear that these districts or "Enclaves" would be held immune. But the Court in finally refusing a hearing, on Feb. 10, 1941, has closed our last chance. The landlords, having lost out in the *Ashton* case, can now get the ground rent, and the State must step down for them.

So the rule now stands, as interpreted by our Supreme Court, that although Congress is without any power to tax land values, it has the power to put the dead hand (mortmain) on the power and duty of a State to levy and collect taxes on land values, where the State has pledged such taxes as the security for money borrowed by its Governmental agencies.

Also it is now the rule, under existing decisions, that although the Congress has no power to tax the interest from

county, city or district bonds, it has the power to destroy the bonds.

In the Ashton case the Court said: "The difficulties arising out of our dual form of government, and the opportunities for differing opinions concerning the relative rights of the state and national governments are many; but for a very long time this Court has adhered steadfastly to the doctrine that the taxing power of Congress does not extend to the States or their political subdivisions. The same basic reasoning which leads to that conclusion, we think, requires like limitation upon the power which springs from the bankruptcy clause." The Bekins decision, hereinbefore cited, upsets this, utterly.

In the Federalist Essays (No. XXXII) by Hamilton it was recognized that the individual States would "possess an independent and uncontrollable authority to raise their own revenues" on adoption of the Constitution. The only reference to Bankruptcy in any of the Federalist Essays is in No. XLII as follows: "The power of establishing uniform laws of bankruptcy is so intimately connected with the regulation of commerce, and will prevent so many frauds where the parties or their property may lie or be removed into different States, that the expediency of it seems not likely to be drawn into question."

It is difficult to imagine a State removing its lands to another State, or being in any sense a "party" intended to be reached by that paragraph. Surely, it was never meant to include the sovereign power of a State to levy and collect taxes on the value of land. But the present members of our Supreme Court have interpreted the Bankruptcy Clause in the Constitution to be broad enough to include the taxing power of the State.

Obviously, given this new power, the landlords have little to fear from any tax on land values they deem too heavy. With their influence in local government circles, they will seldom if ever experience difficulty in getting local politicians to side with them, and we may confidently expect to see local governments petitioning for bankruptcy whenever the tax rate is thought by the private collectors of ground rent to be too heavy.

IN a study on "Urban Planning and Land Policies" recently released by the National Resources Planning Board, George A. Blair analyzes the probable effects of a graded tax on land values for municipalities. His conclusions are: 1—The burden on vacant land would reduce speculation and stimulate building. 2—The burden on business property would induce improvements of squalid buildings. 3—Tenements in larger cities would tend to be improved. 4—Home ownership would be promoted, and housing projects would be encouraged. Mr. Blair's study was based on data obtained from fifteen municipalities.

Greece

Her Economic Background

By PAVLOS GIANNELIA

ONCE again in her long history, Greece is indicating to her wavering neighbors that there is another answer than unconditional submission to be given to the all-levelling march of empire and to the threat of devastating weapons.

While the immediate outcome is still uncertain, the world has been inspired to witness a new Thermopylae, another Marathon, a second Salamina.

But these are military and political matters. Though they are more spectacular, behind them lies the economic question. What is the economic background of Greece? To understand this question, it is necessary to delve into the Greek tradition leading up to the present.

* * *

After many centuries of tithe-collecting governments, after Hammurbian, Egyptian and Mosaic legislations in the near East, after Aegean and Homeric rulings in Greece, there arose Lycurgus, the man whom the Delphic Oracle pronounced as "god rather than man." Lycurgus gave his laws to Sparta, the forerunner of totalitarian governments. The laws were a multitude of minute prescriptions, concerning not only landed property and government, but also the organization of the family, the education of the children, private life itself.

Sparta was a military community, and the Spartans constituted a permanent army. At his birth, the Spartan was examined by a council, and only if found physically fit was he given to his mother. The Spartan's birthright was 17 acres of the public land. At the age of seven his formal education began. He was introduced into a group of children who were led by a boy distinguished for his intelligence and valor. Physical training occupied the chief place in his education. Girls went through the same physical training as the boys. At twenty the Spartan entered the army; at thirty he became a citizen, but was obliged to continue his military life.

In addition to the soldiers, the mass of Spartan population consisted of *perioekes* (neighbors), who were nominally free men; *helotes*, servile peasants, though not slaves; and pure slaves, who are rarely mentioned by ancient authors. The *perioekes*, permitted to own land in certain areas, practiced agriculture, trade, the arts and manufacturing. *Helotes* were similar to the Medieval feudal tenants, not permitted to leave the land they cultivated.

Quite a different set of laws from those of Lycurgus were those of Solon, the *archon* of Athens, to whom his fellow citizens entrusted (in 594 B. C.) the formulation of laws which should reconcile the nobles and the people. Besides his more transient measure (*seisachthia*) for settling the dis-

proportionate debts of the indigent population, Solon promulgated the laws which formed the constitution of the Athenian state, the "fatherly policy" of the golden age of Greek democracy.

Plutarch relates as follows: "As Solon intended to leave the government in the hands of the well-born, and at the same time also to allow the common people to participate, he took as the basis the fortune of the citizens. First class citizens were those who produced five hundred bushels of produce; these were called *pentakosiamedimnes*. As second class citizens he chose those who were able to feed a horse, or to produce three hundred bushels; they were called 'horsemen.' The third class were called *zeugites*, and their measure was two hundred bushels. The rest were all called *thetes*; they were not allowed to rule, but could participate as hearers in the Assembly and the Tribunal."

Thus the participation in the administration of the state, its duties and the obligation to defend it, seemed fitting to Solon to rest proportionately on the landed gentry. The *pentakosiamedimnes* could aspire to the highest place in government—the position of *archon*. Their duties were to pay naval expenses, and to serve in the cavalry. The second class citizens had to furnish military equipment and also to serve in the cavalry. The third class citizens formed the infantry. From the ranks of the second and third classes came the employees of the state. All the others, the *thetes*, even the merchants and manufacturers, were land-poor or landless, and had no participation in public service, neither did they have any taxes to pay or military services to fulfill.

It can be seen that the most important qualification for sharing the duties and privileges of government was the ability to produce—*dynamenos*. Thus, the *fertility* of the land, not the extent of the property nor the investments of labor and capital, was the measure of advantages and obligations. This subtle distinction has been neglected by most economists. That Solon made the distinction is interesting from Geogist point of view. It is also significant that Solon abolished the term *telos* (taxes), and spoke of the obligations that had to be paid to settle the budget as *litourgies* (people's works). One is reminded that modern Danish legislators avoid the term "land value taxation," and refer to the public collection of rent as *Grundskyld* (ground debt).

Once again—in the tenth century A.D.—the then Greek Asia Minor furnished a sample of the combination of military service and landownership. The Byzantine emperors Leo III, Romanos, Phogas, Tsmiskis and Basil II, settled in their conquered territory the *akrites*, those valiant warriors who helped them recapture the Eastern Roman Empire from Sicily to the Caucasus, from the Adriatic to the Indian Ocean.

This commendable sort of feudalism was accompanied by

a prohibition on large landowners to buy out the holdings of the small peasantry. Even more than that, the *allilengyon* (mutual warranty) made the large holders responsible for the arrears in taxes of their smaller neighbors, so that they were interested in the highest degree in helping these poorer fellows to make their way.

Over a thousand years later—1923—Greece delivered a blow to the Malthusian theory of overpopulation. In that year Turkey exchanged her Orthodox Greek population with the Mohammedan population of Greece. The land distribution that Greece administered for this influx of population—the sort of distribution which Henry George discouraged—is perhaps the only case in which such a method succeeded, because it was ethically motivated and was attended by economic as well as nationalistic considerations.

In other countries, land distribution and movement of peoples has failed, because there were usually little other than political motives. To quote only one example: Czechoslovakia, which distributed 28% of its land to the Czech legionnaires, increased its population by 10%; but the peasantry decreased by 1%. The bill was paid in September, 1938 and March, 1939, when the frustrated Slovakian, Polish and German populations took their revenge.

The Greco-Turk exchange of population increased the population of Greece by 47%. This resulted in a 40% increase in the corn fields, a 67% increase in the vineyards, a doubling of oil and olive crops and sheep breeding, a doubling of imports, and a tripling of tobacco crops and general exports. Notwithstanding this brilliant effect of the increase of population, the Malthusian theory is so deep-rooted in the minds of the legislators that no attempt was made to attract the Greek population of other neighboring countries, or to encourage "foreigners" who desired to settle in Greece. The attitude of the legislators also causes them to tax heavily the products of labor and to hamper trade by "protective" duties and other restrictions. If only they would return to the policy of Solon! It is perhaps a small consolation that Greece has been the first country to be officially represented at a Henry George Congress—the International Conference at Copenhagen in 1926 and at Edinburgh in 1929.*

Let us hope that Metaxas' successor, Mr. Corizis, who began his ministry by suppressing the bank-depot restrictions, will not fail to restore to Greece a fuller economic freedom after the end of the present ideological struggle. The modern form of the Solonian tradition, which Greece so sorely needs, would be a single tax on land values and free trade in its fullness.

*Mr. Giannellia was the official representative of the Greek government at these two Conferences.

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Rent and the Tax Fund

By ROBERT SCHLEY

THE PROBLEM

THE question whether the public collection of land rent would, if adopted, yield an adequate public revenue, presents one of those queer cases which sometimes occur in a controversy where neither proponents nor opponents seem able to say anything enlightening. On the one hand, the discovery of a rent fund so clearly created by society-at-large and so perfectly adapted to collection by society for its common needs, falls in so aptly with what we feel *ought* to be, that its existence seems to be a providential arrangement of nature, and the advocate of rent for revenue feels something like an irritation at the question, as though he had been asked to demonstrate the obvious. On the other hand, a hostile critic who in studying Henry George's analysis of the economic system has been irritated by the feeling that it is too thorough, too rounded—that it leaves too little necessity for independent thought—to be a sound generalization of the actual visible chaos of social conditions, cannot help wondering if the identification of public revenue with the unearned increment is not suspiciously facile; he cannot find means to refute it, but he feels that the apt presence of the rent fund may be no more than a coincidence; and in the absence of any indication of relation between the rent fund and the public revenue, that sense of a coincidence seized and exhibited as an argument, increases and buttresses his whole vague suspicion that the entire analysis is opportunist.

Some Georgeist men appear to concede the point. Professor Harry Gunnison Brown in his book, "The Economic Basis of Tax Reform," seems to lean towards the view that the rent fund may be insufficient for tax purposes. J. F. Muirhead writes in his "Land and Unemployment": "It is doubtful whether (as conditions now are) this (the belief that the land value tax would make all other taxes useless) would prove to be correct." These writers take the practically satisfactory view that it is immaterial whether the fund is fiscally adequate or not, as in any case it still remains to the community to impose what additional taxes may be necessary. But this solution fails to still the theoretical question. Is there any reason to think that the rent fund may be equal to the tax requirements of government?

Clearly, nothing short of a careful survey which calculated the actual total of land rent over a given period of time and collated this with the total public revenue for the same period, would be competent to direct an intelligent estimate upon the subject. And if such a survey showed (what is incredible) that the public revenue ex-

ceeded rent, the fact could not be held as conclusive evidence that the public collection of land rent and the abolition of all other taxes would result in a public deficit; since the disciple of Henry George holds that if this reform were instituted it would modify existing land values, increase the sum of collectible rent by increasing production, and permit important savings in governmental tax machinery.

However, in the absence of any such reliable scientific survey as a starting point, is there any line of intuitive reasoning that will reveal a ground for believing that a confiscatory tax on land rent will be sufficient for the needs of government?

THEORETICAL LINE OF APPROACH

There is, to begin with, the fact that the land lies at the foundation of the production out of which taxes must be paid in any event—access to the land is a preliminary condition in default of which production cannot occur at all; so that consequently the proprietor of the land, whether he be a private person or a government (assuming the land to be the monopoly of either), can demand and get any terms for provision of such access as he may choose to impose, short of the absolute starvation of labor and destruction of capital. A government (as the absolute owner of land), in laying a land value tax could certainly collect whatever impost, less than the total product of industry, it wanted to collect, without troubling itself about economic theory, and this tax would undoubtedly be rent, which is whatever the landowner can extract from the user of land. Public authority might, from its vantage ground as the universal landlord, exact from producers the whole substance of their production except a bare maintenance wage as the condition on which they might be allowed to get anything for themselves at all. The question here, however, is as to whether land value taxes sufficient to support government must be so extortionate as to throttle industry.

The share of the produce the government might take without hampering production more than it is now hampered is greater than the share it actually does take now; for the present burden upon production is equal to the weight of present government revenues plus that of the present revenues of landowners, and all of the tax burden that is not borne by rent must fall as a check upon production. Evidently, then, a governmental budget equal to the present one might be collected as a land value tax without impoverishing industry more than it is now im-

poverished. If the present budget is greater than the actual rent fund, then such an imposition must absorb the whole of economic rent and something besides. Nevertheless, in so absorbing the whole of rent it would have eliminated the landlord's share; and the sum which productive industry would be required to make up would be less than it now contributes by an amount equal to the rent fund.

Public revenue requirements are either less than, equal to, or greater than the rent fund. If they are greater than the rent fund, their collection through a land value tax must destroy private property in land, and their total weight upon wages and interest must be less than it is now by the amount of present land rent. If they are less than rent their full weight might be taken off industry and imposed on rent, still leaving a surplus for landowners. In either case there must result an increase in the earnings of producers. And if public revenue requirements are neither less nor greater than the rent fund, they must be equal to it.

CAN RENT BE MORE THAN THE TAX FUND?

The question of a surplus for landowners does not trouble the Georgeist—it is a condition that could be remedied by fiat. If rent exceeds public revenue, the revenue may be easily increased until the excess disappears, and in the words of Henry George, "This is so easy and natural a thing that we may take it as included in the proposal to tax land values." However, this reads like a cynical inference as to the inevitable rapacity of political bodies, and the theoretical problem remains. We may ask ourselves: If governmental demands fall short of the entire rent fund, what will be the effect of this surplus upon the distribution of wealth?

It is directly evident that any important absorption of rent by government must to that extent reduce the share of landowners and the capitalized value of their land. A piece of property formerly valued at \$10,000 because it yielded annual rent of \$500 must, if the government collected a half or three-quarters of the rent, now be accessible to capital and labor at a half or a quarter of that amount; and the result would be a net increase of that sum in the earnings of capital and labor, which would no longer be charged with that amount in general taxes.

The general reduction of land values must operate to contract the margin of production—to increase the quality and quantity of land on which labor could be exerted without payment of rent. Labor as a whole would move up a step, abandoning lands better than that the marginal worker has been using, and he in turn would move to better free land than he worked before. This increase in free land, again, would reduce the amount of taxable land from which government derived its revenue. Thereafter, each addition

to revenue requirements must be met by a further reduction in the surplus available to landholders, the further depression of land values, the increase of free land, and the consequent further enhancement of the share of the product available for capital and labor.

Still another agent in the reduction of land values must be the constant prospect of increased public expenses, which would destroy all speculative values in land. As the expectation of increased rent drives the exchange value of land up, so the expectation of diminished rent must drive the exchange value of land down. Every one who had land would want to get rid of it now for the best price it would bring, and the general short selling of land must further contract the margin of production, increase free land, and so again force an increased concentration of taxation on lands still retaining an exchange value, with a further depression of that exchange value, and on around the circle again. We may say then, that in the increasing expensiveness of progressive government and in the speculative depression of land values there may be seen the principles of a tendency connected with the Georgeist system, which, even if at the beginning it leaves a surplus of rent, must in the long run operate steadily to eliminate that surplus *until the public revenue and the rent fund approach an equality*. There is reason, then, for supposing that tax requirements probably cannot in the long run be much less than the rent fund.

CAN RENT BE LESS THAN THE TAX FUND?

Is there reason for believing that tax requirements cannot exceed the rent fund? Let us approach the matter in this way:

Henry George has shown that any improvement in the efficiency or economy of government is equivalent to an increase in the distributable product of industry. Such an increase under the existing scheme must, by the operation of the laws of distribution made clear in "Progress and Poverty", appear in the economic system as an increase in rent or the value of land. If the government remits to John Labor, tenant, working on land that yields rent, taxes in the amount of one hundred dollars a year, his situation is not thereby improved. The effect of the remission would be to increase the yield of his land by one hundred dollars; and his share of that produce is determined by the subsistence minimum accepted by Henry Margin, who works for what he can get on the best free land he can get, and since the latter pays no taxes, he gets no remission. If John Labor refuses to give up his increase, his landlord will get rid of him and call in Henry Margin, who will be glad to take the job for very little more than he is getting now.

By the functioning of this law of rent, any degree whatever of tax economy must enter the social system as an in-

crease in rent. Even if we suppose the miracle of a one hundred per cent remission of the present impost, the result of the remission could only be to add all present government revenues to the present revenues of land holders.

But the public collection of land rent has this double aspect: it is not only the imposition of a particular tax, that on land values, but it is also a hundred per cent remission of all other taxes. Since the remission of those other taxes must swell by exactly their own bulk the fund from which the new taxes are to be drawn, evidently the single tax on land values or the public appropriation of rent must yield a revenue at least equal to the present one. So long as the decreases of other taxes all enhance rents by just the amount of the decrease, the yield of a land value tax can never be less than the yield of an alternative tax. The land value tax must, indeed, yield a revenue superior to the present one by the amount of present unappropriated rent, and superior also by the difference in cost of collection; for of course the machinery necessary to collect the single tax exists already in form nearly as costly as would be necessary under the new system, while under the new system all other expensive tax machinery might be dispensed with and its cost saved.

Thus since there is reason to believe that, in the long run, rent cannot exceed public revenues under the single tax system, and reason to believe the revenues can never exceed rent under the system, it follows that the rent fund and the tax fund tend to be equal.

When the War Ends

THE fifty Members of Parliament comprising the Parliamentary Land Values Group in England have a plan to meet post-war problems, according to a letter received recently by Mrs. Anna George de Mille from R. R. Stokes, M. P. This plan is set forth in seven articles, as follows:

1. When the war ends concerted efforts will need to be made to absorb both munition workers and demobilized soldiers into productive work. This will mean embarking upon vast schemes of public works which will lead to a rise in land values in the immediate vicinity. This value, unless otherwise provided, will go to the benefit of local landlords and not to the community whose efforts will have gone to create the value. A tax on site values will meet this point.

2. Each one of these schemes will entail the purchase by the Government of greater or lesser areas of land. A tax on site values will keep the purchase price down.

3. In addition to public works, private owners of land should be made to help by putting all land to its best use. A tax on site values of all land whether used or idle will make

it unprofitable to the landlord to put any land to its wrong use or to keep it idle.

4. Vast credits will be needed to finance schemes of development. From a business point of view there will be no difficulty about obtaining such credits provided it can be shown that the benefits are going to the borrower thereby proving the means of repayment. A tax on site values will ensure that the borrower (i.e. the community) gets the benefit.

5. Slums must be removed and Garden Cities built. A tax on site values will make it impossible for slum landlords to keep filthy dwellings in the midst of towns on valuable sites: they themselves will be forced to put up modern up-to-date buildings. Equally, such a tax will keep down the purchase price of land needed for Garden Cities.

6. There need be no unemployment and no enforced poverty arising therefrom if the natural resources are used in the common interest. Until these resources are exhausted it should be possible to create a state of society wherein there are more jobs than people—at present this state is only likely to arrive in wartime—and wherein the laborer will get his fair hire. This can be brought about by freeing natural resources by the one just, quick and efficacious way: *taxing site values of all land used or unused.*

7. The Exchequer would ultimately receive at least £500,000,000 a year which now goes tax free to individual owners. Unemployment and the evils arising therefrom would disappear. There are only three ways of getting the land back for the people—confiscation, purchase or taxation. The first would be unjust to the present owners: the second would be unjust to the people who would by such a method have to pay interest on the purchase price for ever after: the third, a graduated tax over a period of years, would be unjust to no one and provision should be made *now* so that it may be made effective as soon as the war ends.

A LITTLE insight into the land question of Puerto Rico is gained from a letter received recently by Sr. Rogelio Casas Cadilla from Sr. Miguel Guerra-Mondragon, prominent attorney of San Juan, P. R. We quote from this letter, through the kindness of Sr. Casas:

“The land question becomes more acute daily in Puerto Rico. Fortunately, a new party with pronounced agrarian principles has just been elected to the legislative chambers. Much is expected of them by every one. On the other hand, the Washington authorities do not endorse very enthusiastically our efforts to break up land monopoly and distribute the land among the greatest possible number of farmers. Only in this manner can land monopoly and absentee landlordism be killed.”

The Land of Plenty

A Playlet in Six Acts

By HENRY J. FOLEY
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Prologue

OUR play will show you happy times
In lands of joy and plenty,
And lands where times are hard, and men
Are coarse, and comforts scanty.
Our actors are—a burly giant,
Labor is his name,
And Capital, a beauteous belle,
More gracious than her fame;
A pompous hired man who slips
Into the master's place
And gives the master's wealth away
With more than kingly grace.
And there's a villain in the play,
A man who never works,
But seizes everything in sight,
And shirks, and shirks, and shirks.

LOCALE

On the left side is a stony hill on which the Giant and the Beauteous Belle have been working hard to make a living. On the right is a Land of Plenty, with fertile fields and mines of gold, and shady woods, and rivers teeming with fish.

Act I

On the Barren Hillside.

The Giant and the Beauteous Belle attired in rags, have finished the work of a year. They have sold their scanty crops, and they are counting their money.

BEAUTEOUS BELLE. There it is, two thousand dollars, and I can't make it any more.
GIANT. I've counted it, too, and that's all I can make of it.
B. B. I don't see how I'm going to get through the coming year. I need that much for food to keep me beautiful, and I'll have to wear calico, when I look so stunning in silks.
GIANT. That's not enough to buy my meals if I have to work on this barren hillside. I'll be the champion thin man in another year. (*Viewing the scene to the right.*) But what we could do with that Land of Plenty, if we could only get into it!

B. B. Let's risk it next year.
GIANT. Not a chance. If you look closely you'll see lurking Indians among those trees. We couldn't bend over a spade without having arrows sticking out all over us. We'll get along on the barren hillside.

Enter a Steward, dressed in evening clothes.

STEWARD. Good day. I'm looking for work.
GIANT. We're trying to get away from it. But who are you, and what can you do?
STEWARD. I'm a Steward, an Agent, a Government. I get things done for my principal.
B. B. Why can't you work for yourself? Why do you have to be an Agent, or a Government?
STEWARD. I can't work. No Government that ever lived has been able to work. It couldn't stick a spade into the ground nor plant a turnip. I am only an abstraction, if you know what I mean. And still I could be very useful.
B. B. Well, Mr. Steward, how could you be useful to us if we hired you.
STEWARD. I wish you would call me "Government". Of course it means the same thing, but I like it a lot better, and it sounds more dignified.
B. B. Of course we'll call you "Government" if it makes you feel better. But tell us what you can do for us.
GOVERNMENT. Suppose I could arrange it so that you could get into the Land of Plenty. Wouldn't that be a service?
GIANT. It certainly would. But we wouldn't dare go in there. Those Indians would murder us.
GOV'T. Let me explain. For Two thousand dollars a year I could keep the place clear of Indians, and you could work there in peace.
B. B. That sounds well, but where could we get Two thousand dollars. That's all the money we have, and if we give it to you we'll starve before we get into the Land of Plenty.
GOV'T. That can be easily fixed. You can make five times as much in the Land of Plenty, and you can pay my bill out of the earnings. Just give me your note for Two thousand dollars.
GIANT AND B. B. You're hired. And don't lose a minute. Let's sign the note.

Act II

In the Land of Plenty.

Labor and Capital have been in the new place for a year. They have sold their wheat and gold and fish and fruits and are counting their money.

GIANT. (*Counting the last of the money*) \$9,800, \$9,900, \$10,000. Hurrah! What a year we've had! We're rich.

B. B. And what a difference from the barren hillside.

GIANT. And to think that we owe it all to that Government lad. We'll have to go and tell him how much we appreciate him.

The Giant seats himself on a log and looks admiringly at the Beauteous Belle.

GIANT. Come here and sit by me. (*She sits beside him.*) Did any one ever tell you you're beautiful?

B. B. (*Coyly*) I think you ask that of all the girls.

GIANT. I had mighty little time on the barren hillside to look at pretty girls. It's so easy to make a living here that I had a chance to see how pretty you are.

B. B. You're not so bad to look at yourself now. The Land of Plenty is certainly agreeing with you.

GIANT. (*Holding her hand.*) Do you think you could—
Enter a well-dressed Stranger

STRANGER. Good morning. A splendid place you have here. I hope you like it.

B. B. Like it? We love it. It's the finest spot on earth.

STRANGER. I'm glad to hear you say that. I'm the Landlord, and I've come for my rent.

GIANT. What do you mean — rent?

LANDLORD. The rent is what you pay for living here.

GIANT. Do you mean that we have to pay you for living here? Why?

LANDLORD. I'm the owner of the place. Your agent, Government, gave me title to it. You're welcome to live here, and all I want is the rent.

B. B. And how much is the rent?

LANDLORD. Let me see. Your agent told me you could make Two thousand dollars on the barren hillside. You made Ten thousand here. I only want the difference, Eight thousand. That's what my land has made. You see I'm reasonable.

B. B. We don't understand why you want Eight thousand dollars from us. What did you do for us? What do we get for our money?

LANDLORD. You got a fine place to work, where you made Ten thousand dollars instead of Two thousand.

But I'm getting tired of talk. I came for the rent, and you'll either have to give it to me or get out. My time is valuable.

GIANT. (*Advancing with clenched fists.*) You had better not waste any more of it around here.

LANDLORD. Help! Help Government!

Enter Government with a huge club, and with knives stuck in his belt.

Gov'T. What's the matter here?

LANDLORD. These people refuse to pay my rent, and they won't even get out and leave me in peaceable possession.

Gov'T. (*To Giant and B. B.*) You can't act that way. Why don't you give him his rent and move out quietly if you don't want the place?

B. B. We heard all the words you said, but they don't make sense to us. We can't see why we have to pay Eight thousand dollars to this fellow.

Gov'T. Now listen to me. This man is the legal owner of the place. He has a title which gives him possession, and I have guaranteed him his rent. If you refuse to pay, it will be my painful duty to throw you out, even if I have to use a club. You have armed me thoroughly, and I must uphold the law. And if necessary I shall have to seize your Ten thousand dollars to get the rent.

The Giant and the B. B. whisper together. The B. B. grudgingly hands over Eight thousand dollars and they take their way to the barren hillside.

Act III

The Giant and the B. B. on the Barren Hillside, sitting on the ground with their heads in their hands. They raise their heads.

B. B. I had a dreadful nightmare. I dreamed we were back on the barren hillside.

GIANT. We are. Look around you.

B. B. What happened to us?

GIANT. I don't quite know. I'm still trying to find out.
Enter Government.

Gov'T. Good morning.

GIANT. What?

Gov'T. I said "Good morning".

GIANT. Yes, that's what I thought you said.

Gov'T. I've come to make arrangements for next year. I hope you found the Land of Plenty a pleasant place, and safe to work in. You made plenty of money there.

B. B. Yes. But we don't seem to have any of it.

Gov't. But you made money there, Ten thousand dollars, and it only cost Two thousand dollars to make the place safe. And that reminds me, my note for Two thousand dollars is due, and I'll have to ask you for the money. (*The Giant and the B. B. rise, holding their heads.*)

B. B. Do you mean that you want us to pay for work you did on a place you gave away to somebody else?

Gov't. You mustn't put it as crudely as that. I only want to collect the taxes. If you had studied law and government you would know that taxes are the only way to support a government. And now I shall have to take the taxes.

Government snatches at the money bag, and the money is spilled. The three scramble for it. Government makes off with as much as he can pick up hastily, and with his clothes badly torn. The Giant and the B. B. count what is left.

B. B. \$1300, \$1400, \$1500. There goes my dream of silks and perfumes and carriages. I can't get those things on \$750.

GIANT. You'd better forget your dream of silks and carriages and \$750. The \$1500 wouldn't buy what I need to eat, and the most I can spare you is \$500.

B. B. You brute! You don't need anything but some coarse food and some cheap clothes, and I need delicate food and pretty dresses. \$500 wouldn't even cover me decently.

GIANT. Well, \$500 is all you're going to get.

The B. B. snatches at the money bag, and the Giant takes it from her. She scratches his face and pulls his hair. He throws her into a bramble bush. The money has been scattered, and they scramble for it.

Act IV

The Land of Plenty.

The Landlord, richly dressed and loaded with jewelry, is sitting at a well-stocked table under the shade of a tree. Enter Government, in torn clothes.

LANDLORD. Good morning. What's happened to you?

GOV'T. I've been trying to collect taxes from the Giant and the Beauteous Belle, and they almost pulled the clothes from my back. I got only \$500.

LANDLORD. Pull out a chair and make yourself comfortable. There's plenty to eat, and you'll find this wine excellent. You'll need something to brace you up before you go after the other \$1500. (*They eat and drink, and the Landlord hands out cigars.*)

LANDLORD. Do they want the place next year?

GOV'T. I didn't get that far. I was lucky to get away when I did.

LANDLORD. The Giant and the Beauteous Belle were always like that. No regard for law, and begrudging the taxes they owe their government.

GOV'T. Yes, indeed. Collecting taxes is a terrible job. I hope you will make up the other \$1500. My note is overdue, and I have a reputation to keep up.

LANDLORD. My dear Government, you're fooling. You know that I have a deed to the property, because you gave it to me yourself, and the rent is mine. You are the last person in the world I should expect to hear such things from. Let's hear no more of it. You have only to raise the taxes higher next year. Have another glass of wine.

GOV'T. I don't think I'll have another glass of wine, but I will have \$1500. The \$2000 note I signed was all for your benefit. Nobody but you got any good of it, and you are the one who ought to pay it all.

LANDLORD. (*Angrily*) I want to hear no more of that.

GOV'T. You're going to hear a lot more of it just now. And you're going to move out, if I have to help the Giant and the Beauteous Belle to move you. In fact, the Giant would be glad to do the job alone. And what fingernails that Beauteous Belle has!

LANDLORD. Can't you see that there's no sense in my staying here if the Giant and the Beauteous Belle can refuse to pay my bills? What is a Government for except to collect taxes?

GOV'T. I've had all I want of collecting taxes. Hereafter I collect my bills from you.

LANDLORD. I can do better somewhere else. Good-bye.

Act V

The Barren Hillside.

The Giant and the B. B., still in rags, are hard at work digging and hoeing. Government enters. The Giant advances brandishing a shovel, and the B. B. flourishes a hoe.

GIANT. Get out.

GOV'T. Please listen.

GIANT. (*Louder*) Get out!

GOV'T. Please listen to me. I've found a better way of doing things.

B. B. Let's hear what he has to say. Maybe he has something good.

GIANT. All right. But it had better be good.

- Gov't. I told the Landlord he would have to pay my bill, and that I would have nothing more to do with taxes.
- GIANT. What did he say to that?
- Gov't. He left the place in disgust, and he has gone to work somewhere. The Land of Plenty is waiting for you again, and you'll have nothing to pay except my bill for expenses.
- GIANT. You're hired again. Get going. But this time, don't forget who is hiring you.

Act VI

The Giant and the Beauteous Belle, wearing expensive and fashionable clothing, have finished another year's work in the Land of Plenty, and are counting their money.

- B. B. \$9800, \$9900, \$10,000. Isn't that fine?
- GIANT. It begins to look as if our troubles are over, and you'll be able to get your silks and perfumes and carriages. And how I will eat!

Enter, Government.

- B. B. Good morning! I hope there isn't a landlord coming in behind you.
- Gov't. No fear of that. He's working somewhere now for himself.
- GIANT. I hope you brought your bill with you.
- Gov't. Here it is, for \$2,000.
- GIANT. (*Counting*) \$1800, \$1900, \$2,000. There it is, and we never paid a bill more gladly. We have \$8000 left for ourselves. This Land of Plenty is a grand place, and you're not so bad yourself.

The Giant and the Beauteous Belle and Government join hands and dance to this refrain:

Oh this is the Land of Plenty, and we have no taxes here,
 We plant and harvest, sing and dance, we're happy all the year.
 We pay for everything we get, and we keep all we earn,
 We've lots to eat, and lots to wear, and money left to burn.

Government stands aside while the Giant and the B. B. continue the dance.

- GIANT AND B. B. And this is now our wedding day, our quarrels are forgot.
- GIANT. And I'll love you—
- B. B. And I'll love you—
- GIANT AND B. B. Till water is no longer wet, and fire's no longer hot.

A Tilt at Blackstone

That so early an American as Robert Coram should perceive clearly the injustices of our inherited land laws, at a time when land was still a glut in our young country, is noteworthy. In his little book, "A Plan for the General Establishment of Schools in the United States," first published in 1791, his clear reasoning on the befogged reasoning of the renowned jurist, Dr. Blackstone, constitutes an important contribution to Georgeist literature. Coram writes as follows:

"The only question remaining," says the Doctor, "is, how this property became actually vested, or what is it that gave a man an exclusive right to retain in a permanent manner that specific land which before belonged generally to everybody, but particularly to nobody. And as we before observed, that occupancy gave a right to the temporary use of the soil, so it is agreed upon all hands, that occupancy gave also the original right to the permanent property in substance of the earth itself, which excludes every one else but the owner from the use of it. . . . However, both sides agree in this, that occupancy is the thing by which the title was in fact originally gained, every man seizing to his own continued use such spots of ground as he found most agreeable to his own convenience, provided he found them unoccupied by any man."

But the act of occupancy is a degree of bodily labor; that is, the occupancy extends as far as the labor; or in other words, a man has a right to as much land as he cultivates, and no more; which is Mr. Locke's doctrine. This distinction is therefore absolutely necessary to determine the quantum of lands any individual could possess under the laws of nature. For shall we say, a man can possess only the ground in immediate contact with his feet; or if he climbs to the top of a mountain, and exclaims, Behold, I possess as far as I can see! shall there be any magic in the words, or in the expression, which shall convey the right of all that land, in fee simple, to him and his heirs forever? No; as labor constitutes the right, so it sensibly defines the boundaries of possession. How then shall we detest the empty sophist, who in order to establish his system of monopoly, would fain persuade us that the Almighty did not know what he was about when he made man. That he made him an animal of prey, and intended him for a polished citizen; that he gave us bounties in common to all, and yet suffered a necessity to exist by which they could be enjoyed only by a few. Had Dr. Blackstone been disposed to give his readers a true account of the origin of landed property in Europe he might have said, exclusive property in lands originated with government; but most of the governments that we have any knowledge of, were founded by conquest; property therefore in its origin, seems to have been arbitrary.

"But after all," continues the Doctor, "there are some few things, which must still unavoidably remain in common: such (among others) are the elements of light, air and water."

Thank you for nothing, Doctor. It is very generous indeed, to allow us the common right to the elements of light, air and water, or even the blood which flows in our veins. Blackstone's Commentaries have been much celebrated; and this very chapter, so replete with malignant sophistry and absurdity, has been inserted in all the magazines, museums, registers, and other periodical publications in England, and cried up as the most ingenious performance ever published. . . . We will however never believe that men originally entered into a compact by which they excluded themselves from all right to the bounties of Providence, and if they did, the contract could not be binding on their posterity; for although a man may give away his own right, he cannot give away the right of another . . . The wants of man, instead of having been lessened, have been multiplied, and that in proportion to his boasted civilization; and the fear of poverty alone is more than sufficient to counterbalance all the fears to which he was subject, in the rudest stage of natural liberty. From this source arise almost all the disorders in the body politic. The fear of poverty has given a double spring to avarice, the deadliest passion in the human breast; it has erected a golden image, to which all mankind, with reverence, bend the knee, regardless of their idolatry. Merit is but an abortive useless gift to the possessor, unless accompanied with wealth; he might choose which tree whereon to hang himself, did not his virtuous mind tell him to "dig, beg, rot and perish, well content, so he but wrap himself in honest rags at his last gasp, and die in peace." It is a melancholy reflection that in almost all ages and countries, men have been cruelly butchered, for crimes occasioned by the laws; and which they never would have committed, had they not been deprived of their natural means of subsistence. But the governors of mankind seem never to have made any allowance for poverty; but like the stupid physician who prescribed bleeding for every disorder, they seem ever to have been distinguished by an insatiable thirst for human blood. The altars of a merciful God have been washed to their foundation from the veins of miserable men; and the double edged sword of Justice, with all its formality and parade, seems calculated to cut off equally the innocent and guilty. Between religion and law, man has had literally no rest for the sole of his foot. In the dark ages of Gothic barbarity, ignorance was some excuse for the framing of absurd systems; but in the age in which Dr. Blackstone lived, he should have known better, he should have known that the unequal distribution of property was the parent of almost all the disorders of government; nay, he did know it, for he

had read Beccaria, who treating upon the crime of robbery, says,

"But this crime, alas! is commonly the effect of misery and despair, the crime of that unhappy part of mankind, to whom the right of exclusive property (a terrible and perhaps unnecessary right) has left but a bare subsistence."

[The foregoing item is the result of research work on the part of our valued correspondent, Emily E. F. Skeel.—Ed.]

American Journal of Economics and Sociology

ANOTHER publication is about to make its appearance in the rapidly expanding field of Georgeist literature. From the offices of the *American Journal of Economics and Sociology* we have received the following announcement:

"The Robert Schalkenbach Foundation announces the incorporation of the *American Journal of Economics and Sociology*. The *Journal* will be a quarterly publication devoted to scholarly papers dealing with the social sciences. The directors of the new corporation are Otto K. Dorn, Charles Johnson Post, Albert Pleydell, Harry Gunnison Brown, George Raymond Geiger, Frank Chodorov, and Will Lissner.

"The *Journal* has secured the cooperation of a group of distinguished specialists, who will act as an editorial advisory board and pass upon material intended for publication in the *Journal*. Will Lissner will be editor, and Frank Chodorov business manager; Miss V. G. Peterson of the Schalkenbach Foundation will act as secretary. The *Journal's* editorial office will be at 32 East 29th Street, New York City.

"All the collaborators in this enterprise will serve without compensation. A grant from the Schalkenbach Foundation provides for the expense of publication. The first issue of the *Journal* will appear in the autumn of 1941, and quarterly thereafter. The subscription price will be \$3.00 per annum, \$1.00 for a single issue.

"The *Journal of Economics and Sociology* will be an important innovation; it will be unique of its kind. For the first time in history there will be made available to students of economics papers by professors and economists of national and international reputation, who will discuss economic and social questions in the light of Georgeist theory. The *Journal* will not be edited for a popular readership, but rather for advanced students and scholars in philosophy, sociology, economics, and related fields.

"A publication of integrity, dignity, and genuine scholarship must eventually command the respect of the academic world, and immensely increase the prestige of the Georgeist movement. The directors are conscious of their responsibility, and fully determined to make the most of their unusual opportunity."

The Critics Criticized

By JACOB SCHWARTZMAN

[This is the third of a series of articles by the same author, dealing with the objections of noted economists to the doctrine of Henry George, and the refutation of such objections. The first in the series, published in the November-December 1940 issue, answered the objections of Prof. F. W. Taussig. The second was published in the January-February 1941 issue and answered those of Prof. H. R. Seager—Ed.]

THIS article will rebut a unique attack on Henry George. It was published during the Hewitt-George campaign of 1886, and was presented as a combined series of four addresses delivered before the Young Men's Democratic Club of New York. The book is "Progress and Robbery, and Progress and Justice; an Answer to Henry George, the Demi-Communist", by J. Bleeker Miller (Baker & Taylor). I recommend this book only as a classic of asinine hostility. I consider the work worthwhile refuting, firstly because it is one of very few books devoted to the sole purpose of demolishing Henry George's philosophy; and secondly, because the arguments are so typical of modern critics (who have not modernized their criticisms of George!).

The first address is known as "A Property Owner's Answer", and roughly contains the following objections:

1—No distinction exists between real and personal property.

(a) There is no reason for the division between personal and real property, on the ground that the former is the product of man, and the latter created by God. God created personal property as certainly as he did real.

(b) Labor exerted on land requires compensation in the form of the finished product, which includes land. Otherwise, a lapidary who has cut and polished a diamond would not be entitled to the diamond itself but only to the value given by such exertion.

(c) George admits that there are improvements which in time become indistinguishable from the land itself. Therefore, compensation would not be paid to labor for digging ditches, roads, bridges, etc., while compensation would be paid to labor for building houses, barns, etc. Would that be fair or honest?

(d) Who would pay for such improvements? Would it not be the landlords, whose appropriated rent would pay for the improvements of other landlords? Literally, his greatest advance towards compensating landowners consists in robbing Peter to pay Paul.

2—Justice requires landowners keeping their land. Where was Henry George and his friends, or their ancestors, when the ancestors of the present owners fought the cold, Indians, British, etc.?

3—There are historical reasons for private ownership of land.

(a) The critic's ancestor financed his tenants while they helped clear his land. It was his capital that went into such clearing, and helped the tenants to exist.

(b) If we examine the history of landownership in England, we will see that George's theory of an original cultivation of land by a community of independent farmers is a myth, and that the new land was then also settled by some man of means, advancing to dependents the subsistence and implements required during the hard struggle of rendering land arable.

(c) Landowners of New York State were the only ones who could vote originally. It was these landowners who helped win the Revolutionary War by supplying the Continental Congress with equipment—the only one of the thirteen States of which that can be said. Still, these owners were very kind, and were indulgent to universal suffrage in New York.

(d) Washington, Franklin, Madison, Jackson, and probably every name which Americans have been taught to revere were landowners.

4—George seeks to confiscate property.

(a) Even though he says only rent will be collected, he is really attempting to do away with the private ownership of land.

(b) "Taking property" has a bad name in civilized countries; even professed criminals prefer to avoid it, and to speak of dividing the stuff, the boodle, or the swag.

5—George is a communist, demi-communist, or socialist.

(a) George says, in answering critics of Free Trade, ". . . If this is Socialism, then it is true that Free Trade leads to Socialism." This shows George's mind to be that of an illogical, unpractical, and dangerous fanatic.

(b) George is a pupil of Proudhon and Considerant, the two French communists. George practically copied Considerant's teachings, and yet people think that George was original.

The second address is known as "A Business Man's Answer:"

6—Land speculators are entitled to their profit.

(a) If investors and builders do not come to a neighborhood, can the unfortunate speculator call upon the city to take his land at what he paid for it, with fair interest? If not, why should he be obliged to surrender the profit which he has acquired by his superior foresight?

(b) Speculators do actual work in anticipating the trend of popular demand.

(c) There is no difference between the foresight of a land speculator and that of a storekeeper.

(d) A land speculator exercises better judgment in determining what land should be used than would the community as a whole.

7—To prohibit real estate profits would lead to an eventual prohibition of personal property profits. Why, George himself already mentions doing away with patent profits!

8—There are ethical arguments to justify private ownership of land:

(a) Title to all real estate could be traced to the Crown, which represents the community, and which sold it to the landlords for good consideration.

(b) Landlords had to fight to obtain and keep the land.

9—It is impossible to tax land values without taking improvements into consideration.

The third address is "A Workingman's Answer":

10—The adoption of George's Utopia would lead to a lowering of rents and an increase in improvements for the workers, which would immediately cause the employers to reduce salaries.

11—Any attempt to adopt the communistic doctrines of Henry George would cause infinite harm to the workers. It would antagonize the powers-that-be. On the other hand, if the workers were to adopt the theories of Lassalle or Karl Marx, which, all must recognize, have a certain amount of justice, the workingmen's lot would immediately improve. Henry George even opposes trade unions.

The last address is known as "Progress and Justice; or, The Work for Federalism", wherein the writer endorses the theories of Lassalle and Marx, and advocates meliorative measures, such as laws which would tend to regulate to some extent the condition, wages, and health of the workingman.

* * *

I will now endeavor to refute the above criticisms, point by point.

(1)

(a) It is true that everything in this universe owes its origin to what philosophers call the One. However, for practical purposes, we can, and should, make distinctions between land: i.e., something which lies outside of man and his products, and is untouched by human hand; and the products of man, i.e., visible, material creations upon which human labor has been expended. Land as such still remains outside of man, though man is surrounded by it, just as a deep-sea diver, who plunges through the water in search of pearls, leaves the ocean intact.

(b) The lapidary who has cut and polished a diamond certainly is *not* entitled to anything more than the value

given by such exertion. It is ridiculous to suppose otherwise. If I give my shoes to be repaired, I don't expect the shoemaker to lay claim to the shoes because of his labor. The only time the lapidary could lay claim to the diamond is when he owned it outright. But such a principle is not applicable in the case of the universe. Just imagine an aeroplane pilot claiming the cloud because he passed through it!

(c) Most improvements can be differentiated from land. If some clearing or other similar work is done upon the land, however, the tendency in time would be for the results of such labor to become blended with land itself. A man who sweeps the floor cannot presume to claim the building.

(2)

The fact that Miller's ancestors fought adverse conditions, while George's ancestors (supposedly) comfortably waited for the result before immigrating, does not essentially differentiate Miller and George. Were it otherwise, we might all lay claim to Paradise, because Adam, our common ancestor, once lived there. Nevertheless, we ourselves must prove worthy to enter Paradise!

Secondly, the contest is not between Miller and George, but between a number of landowners and the rest of the community, to the whole of which the land rightfully belongs.

Thirdly, Miller proves nothing when he speaks of these battles with hardships. Merely the fact that perhaps *my* ancestors also battled them (incidentally preserving their own lives) thereby permitting *my* existence here, is no reason why *I* should claim the earth.

I will answer in a later refutation (see 8) the contention that the owners are entitled to the land because they fought the Indians, British, etc.

(3)

(a) The fact that Miller's ancestor financed the tenants while they cleared the land is no argument. There were millions who had no capital when they came here, and who still managed to get a living from the land, and who survived without any financial help. Would the tenants need any "help" if they were free men, working on free land, and receiving all they produced?

(b) If we examine history, as is suggested, we will see that it is Miller, not George, who is advancing a myth. In primitive communities, the people worked the land jointly, and the land was owned by the community, not by any one man. But even if it were possible to find private landownership in early society, that would in no way destroy the truth of our theory.

(c) By admitting that the New York landowners were the only landowners who supported the Revolution, Miller fouls his case. Landlords as a class opposed the Revolution because they were afraid that it would result in a reversion

of land to the people. They were reassured only when the Constitution guaranteed their titles. Allowing New York landlords to keep their land merely because they supported the Revolution is like saying that some slave-owners should have kept their slaves because they supported the North, which fought for abolition of slavery.

The fact that the owners were "kind", and "allowed" suffrage is tantamount to saying we should venerate a king because he is kind, etc. This is to admit that the king could, (properly?) decide to be unkind, and forbid people to do what they want. History shows, however, that the landlords, as well as our rulers, were forced to grant universal suffrage because of popular clamor.

(d) To the example that some of our great men owned land, we can add that Washington and Jefferson owned slaves, which in no way would justify slavery. That great men often share the errors of their day is well known—but it is no justification for those errors.

(4)

(a) George never denied the motive our critic thinks he has discovered—to do away with private landownership. In fact, he makes that the solution of his problem. Even Miller could have read it if he were so minded.

(b) Land is not property; it is not something which could be owned. As a matter of fact, we could apply the epithet "taking property" to the landlords. They are the ones who "divided the boodle".

(5)

(a) Name-calling is the lowest form of debate. George in effect says, "I don't care what you call it, so long as you accept it." Taking a passage out of its context, for one's own purpose, is a familiar device and a cheap one.

(b) To call George a pupil of Proudhon is sheer nonsense. Proudhon favored confiscation of land and property; not only what man cannot own, but what man creates. George opposed Socialism; he believed in private ownership of the fruits of labor. Proudhon and other Socialists believed in a State-controlled society; George opposed State control, except insofar as the collection and administration of rent required it. Proudhon bewailed the conditions existing because of the supposed exploitation of the workers by capital; George shows that the conflict exists between landlords on the one hand, and laborers and capitalists on the other. Proudhon was the forerunner of Marx, who was a believer in totalitarianism; George was the apostle of freedom, believing in free men, free land, free trade, free initiative.

If George followed Considerant (who, according to Miller, advocated public ownership of land, but not public ownership of personal property), that is completely immaterial as far as the truth of the arguments is concerned. Spinoza followed Descartes' theories, yet his greatness is not thereby diminished. On the contrary, he is famed for coordinating

the latter's principles. Nothing in this world is new. George indeed acknowledges his indebtedness to the Physiocrats, who preceded Considerant.

(As a matter of fact, even though Considerant did distinguish between real and personal property, he was a pupil of Fourier, who believed in the cooperative phalanges, which were nothing but socialistic communities, such as the one which Considerant established in San Antonio, Texas.)

(6)

(a) This argument could have been used by the murderous Dillinger. "If I freeze outside a bank," he might have said, "and get nothing for my troubles, would the Government pay me for my pains in procuring this blackjack? If not, why should I be obliged to surrender my loot, which I have acquired by my superior foresight?"

(b) This really is the same as above. No amount of "work" by any speculator could enable him to claim something which is not his.

(c) The difference between a speculator of land and a speculator of goods (storekeeper) is in the title. A storekeeper can trace his goods to some one who had the right to pass them; but *who* owned *land* originally?

(d) This argument might be used by a kidnapper. He might claim that the parents did not know how to bring up the kidnapped child, while he did. As a matter of fact, the speculators prevent the use of the land whenever needed by members of the community. In a free society, each person may determine for himself to what use to put any object he may purchase, so long as he pays the price.

(7)

The assumption that social ownership of land would lead to social ownership of the products of labor is wholly unwarranted. The philosophy of Henry George upholds private ownership of the fruits of labor.

To do away with patent profits is not to confiscate personal property, but merely to destroy a monopoly which is a cancer upon production. As George puts it: "Every one has a moral right to think what I think, or to perceive what I perceive, or to do what I do—no matter whether he gets the hint from me or independently of me. Discovery can give no right of ownership, for whatever is discovered must have been already here to be discovered. If a man make a wheelbarrow, or a book, or a picture, he has a moral right to that particular wheelbarrow, or book, or picture, but no right to ask that others be prevented from making similar things. Such a prohibition, though given for the purpose of stimulating discovery and invention, really in the long run operates as a check upon them."

(8)

(a) The fact that one could trace title of land to a grant by the Crown would be no justification for such ownership. Firstly, the Crown represented not the community but some

pampered and tyrannical ruler whose whim could decide to whom such stolen land could go. Secondly, even the community as such cannot alienate land. It belongs to all men at all times. As George says, if the community were to deed away all the land to one individual, an infant born the next moment would have a right to a share of the rent.

(b) The fact that landlords—or their ancestors—had to fight to obtain and keep the land, is not an argument for them, but against them. It clearly traces all land to force and conquest. What was won by bloody might could not morally be passed on to future generations. Fighting, and undergoing hardships, alone, are not sufficient to lay claim to land. A robber has no right to his loot merely because he underwent considerable difficulty in killing a policeman.

(9)

It is true that land as such cannot, in political economy, be considered apart from the process of production. And it is true that the demand for land is always based upon the supposed profit to be gained from some improvement upon the land. But irrespective of how the demand for land arises, it will be a demand for the land itself, not for any improvement upon the land, and it will be that demand that determines the value of the lot. In this way, it is possible to tax land values, as distinguished from improvements upon land.

(10)

An increase in the improvements would not lower wages, but on the contrary, raise them. Miller evidently fails to understand where wages come from, but, like the little boy, imagines that food comes from the grocery. The employers as well as the employees would receive improvements, and, looking at it from Miller's point of view, we may with equal validity say that the workers would then demand higher wages because of the higher profits of their employers. However, wages do not come from capital.

Wages would rise for the following reasons: (a) Vanishing of land speculation would throw land open to use, thus raising the margin of production, thus raising wages; (b) abolition of taxation of the products of human labor would mean that much more to be distributed as wages; (c) the increased opportunities would result in a greater division of labor, and increased production, which in turn would lead to higher wages. Is it not clear that if employers were to pay employees less than the wages which they could obtain for themselves at the margin, it would pay the employees to go to work for themselves? With opportunities free, that's what they would do unless they were satisfied with their salaries.

Miller is wrong in assuming that rents would be reduced under the single-tax plan of Henry George. The greater demand for land, due to increased production and better opportunities, would raise rents throughout the world. How-

ever, since rents would be distributed in public benefits, this would be a boon to the populace instead of a curse, as it is today.

(11)

The possibility that Truth might engender a conflict between its followers and those who oppose it, is scarcely an argument against it. It is the honeyed argument of the king to his slaves that they be docile, or else they might arouse his wrath, so that he would no longer throw them crumbs.

Therefore does Miller advocate meliorative remedies, palliatives designed to take the minds of the people off the problem which really confronts them, and the solution that even "he who runs may read". The kingly crumbs shall not satisfy those who want bread. Trade unions have done nothing but perpetrate certain monopolies which thrive in our diseased community. They are organizations which breed force, which demand higher wages without stopping to consider where wages come from. In following the lanes of obstruction, they create great harm, since they prevent us from seeing the real avenue of progress.

A piece of classical irony is the final statement by Miller that George is a Communist, a fanatic, etc., one whose theories will destroy our order, and that therefore the workers should follow the theories of Karl Marx! Can it be that the powers-that-be see less danger to their privileges in Marx than in George?

The Poor Children

By VICTOR HUGO

TAKE heed of this small child of earth;
He is great; he hath in him God most high.
Children before their fleshly birth
Are lights alive in the blue sky.

In our light bitter world of wrong
They come; God gives us them awhile.
His speech is in their stammering tongue,
And his forgiveness in their smile.

Their sweet light rests upon our eyes.
Alas! their right to joy is plain.
If they are hungry Paradise
Weeps, and, if cold, Heaven thrills with pain.

The want that saps their sinless flower
Speaks judgment on sin's ministers,
Man holds an angel in his power.
Ah! deep in Heaven what thunder stirs,

When God seeks out these tender things
Whom in the shadow where we sleep
He sends us clothed about with wings,
And finds them ragged babes that weep!

An Interview with Alaska Jane

AMONG the interesting women in the Georgeist movement is Alaska Jane. Of course that is not her real name. But to her many friends—and enemies—in Alaska, Canada, New York, Washington, D. C., Kansas and points West, Mrs. McEvoy is well known as "Alaska Jane." She is an elderly 'hard-boiled' woman; that is, she insists on calling herself "hard-boiled." "I got that way from being a newspaperwoman," she says. Just the same, there is a kindly gleam in her eye.

I had a chat with Alaska Jane in the lobby of the Martha Washington Hotel in New York, where she is staying at present, right across the street from the Henry George School. In her tumultuous career, Alaska Jane was not without influence in getting this Hotel established. "When I was a girl," she said, "women could not get into New York hotels unescorted. Whenever I came East, my father would have to telegraph a hotel to permit me to register. A group of New York women campaigned for a women's hotel. I often spoke on behalf of the idea. We believe we influenced the establishment of the Martha Washington, New York's first women's hotel."

Alaska Jane was raised in Kansas. Her father was a pioneer—he was in the Comstock lode in Nevada, sold lumber via the Santa Fe trail, invested in farming land. Alaska Jane remembers her father's and her own introduction to Henry George's "Progress and Poverty." "A young musician friend of the family used to come frequently. He was organizing a musician's union, but due to the crushing power of big business, he had to do it quietly. That was about the time of the Haymarket riots. This man gave a copy of 'Progress and Poverty' to my father to read. My father's eyes were not in good condition at that time, so he asked me to read the book to him. As I did, he would pause at each passage, expounding and explaining the difficult parts. He saw it clearly. Since that time both my father and myself were confirmed Georgeists."

In those days, Alaska Jane's father had a little hotel in Kansas, at the end of Calamity Branch. "Everybody who passed through stopped at my father's place," said Alaska Jane, "because we had the only hair mattresses west of the Missouri River!" Among the distinguished visitors to his hotel were John W. Davis and "Sockless" Jerry Simpson. They were both avowed Georgeists.

"You've met quite a few distinguished Georgeists," I said. "Have you ever met Henry George himself?"

"Yes," replied Alaska Jane. "I met him at Bryan's headquarters in New York. I saw him only a few times. Once he introduced me as 'Jerry Simpson's girl.' The outstanding thing I remember was a remark he made once. He said:

'If only I had the time, I would write a book on terminology. People do not like to read words they do not understand.'

Alaska Jane was quite active in a number of social reform movements. In Chicago there was a great convention, in which the question of the United States taking over the Philippines was discussed. Alaska Jane was the only woman at the convention who opposed this imperialistic action. As she delivered her speech, she recalls, there was vociferous applause every now and then from a corner of the convention hall. When she was through, she was approached by Louis F. Post and John Z. White, who confessed to the applauding. "You were making your points," they said, "but you were making them so fast that we applauded to stop you for a minute or two, so that the audience would have time to let them sink in!"

"You have been associated with so many reforms," I said. "I suppose you were connected with the woman's suffrage movement?"

"Yes, indeed," replied Alaska Jane. "In Kansas I was the youngest woman tagging around at the Suffrage meetings. Susan B. Anthony called me 'our orphan.' In 1898 I was President of the Young Woman's Suffrage Club of Washington, D. C. I was the official 'lamp cleaner' for all the Kansas meetings! Back in 1912 I was in the State of Washington, where I organized the women for their first vote. The state went Democratic for the first time."

Alaska Jane took her first trip to the territory that gave her her nickname in 1910. First in so many things, she was the first white woman to enter Kennicott, the copper mine. At that time she contributed a series of articles to the *New York Times* on the Pinchot-Guggenheim fight. "Ochs took everything I wrote," she said.

Alaska Jane's chief occupation in Alaska, besides the job of newspaperwoman, was in the Bureau of Education in various native villages. The natives (commonly called Indians, but wrongly so, anthropologically) learned to trust her, and she was always "scrapping" with white men on behalf of these natives. She relates this story:

"One day an Indian woman came to me and indicated that her husband, Bob Johnson, was in trouble. I followed her and found that her husband had been taken prisoner by the new Biological Agent. He had arrested the Indian for hunting bear out of season. 'You can't arrest that man,' I said, knowing that for the natives the gaming law does not hold—they must be permitted to hunt all the year round, because that's their only source of livelihood. 'Now you mind your business,' said the Agent. 'You've been running everything in Alaska, but you're not going to run *my* department.' Well, they took him to jail. I said to the squaw, 'I'm going

to get Bob Johnson out.' So I went to the prison and commanded the jailer to let him out. There was some lively discussion, but I won my point—it was never questioned, either!"

In his "ignorance," it would seem, the Indian cannot understand why the resources of nature should ever be un-touchable. He simply will not accept a "law" that he cannot hunt what, where and when he pleases. Hence the white man has been obliged, in Alaska, to make an exception to his laws in this case. Lo, the poor Indian! unable to comprehend the benefits to be derived from the white man's laws!

Alaska Jane spent much of her time in Juneau, where she was known as a "holy terror." She explains: "The reason I made so much trouble for the politicians at their Council meetings, is that I knew the Single Tax. I could analyze everything from that point of view, and they were confounded. They hated me for it."

"Is there some connection between your reputation there and your nickname?" I inquired.

"Well," she replied, "it began this way. They were building a railroad there at that time, and from my knowledge of Single Tax I predicted that the road would cost \$100,000,000; that they would lose on upkeep. They jeered at that. Judge Walker said, 'A woman goes to pieces on figures.' Well, that road cost them \$200,000,000. But at that time I earned the name of 'Calamity Jane.'

"Then I wrote a series of articles in a local paper. It was edited by a woman with Marxian leanings. She complained that nobody read her paper. I ventured to pep it up for her. So I wrote a lot of local, funny stuff. That gave me the name of 'Humorous Jane.'

"On one occasion, when there was talk of building a wharf in town, I lined up with the officials for once. They were quite pleased with that, and one of them said, at a public meeting: 'You all know this woman. She's been known as Calamity Jane; and then as Humorous Jane. But tonight she's our own Alaska Jane!'"

But her agreement with the officials and politicians was the exception rather than the rule. There were more complaints than praises. At a Council meeting in Juneau, one of the men exclaimed impetuously, "I'm getting out of here. No one can run a caucus meeting with Alaska Jane present." To which Jane retorted, "Yes you can, if you'll only take the axes out of your sleeves."

At one time, a Guggenheim attorney had water pipes laid through the town of Juneau. When the town made a bid for the main, the attorney offered it to them for \$50,000. At a meeting, the officials decided they couldn't afford that amount. Next year the same line was offered for \$60,000, and was again refused. The next year the price was \$75,-

000. Then the Council began thinking it over. The matter was discussed. One of the men said, "The pipes are not in good condition." Alaska Jane said, "The condition of the pipes makes no difference. We're not buying the pipes, we're buying a franchise." "There was no franchise," said the mayor. "We just let the attorney have the streets." A lawyer said, "Alaska Jane is right. All we're buying is a franchise."

Alaska Jane is actively connected with the Women's Single Tax Club of Washington. She is the Club's President, having been elected to that office four times in succession. Indeed, Alaska Jane was one of the founders of the Club, in 1898. At present the Club is launching an organization known as the Women's National Tax Relief Association. The Women's Single Tax Club will remain the "mother" Club. The ambitious goal of the new Association is to band together 50,000 women throughout the country to "lift our national debt by the simplest and least painful method." The economic reforms advocated by Henry George will be propagated in this Association. Mrs. Walter J. White is President of the organization, Miss Alice Siddall is Treasurer, and Alaska Jane is the Chairman of the Executive Committee.

And now for the latest achievement of Alaska Jane. She has just finished compiling an exhaustive Concordance of "Progress and Poverty." This represents twenty-two months of unremitting toil, and it contains about 88,000 key words. The purpose is to be able to find the page and exact line of any important word or phrase in Henry George's great classic. It is unnecessary to point out the value of this work. It is as indispensable as a Biblical Concordance.

"How did you conceive of this idea of a Concordance?" I asked Alaska Jane.

"The idea first came to me one evening, when I was talking to an old-timer in the Georgeist movement. In the course of our conversation I used the term 'metayer system.' 'Where did you get that from?' asked this fellow. 'From "Progress and Poverty,"' I replied. 'Nonsense,' he said, 'I've been reading that book for thirty years and I never came across it.' Well, I had to prove my point, so that night I took my copy of 'Progress and Poverty' and looked for 'metayer system.' I stayed up all night and couldn't find it. Then I decided that we needed a Concordance."

Alaska Jane believes we ought to do more of this constructive work, rather than quarrel and split over doctrinal issues. She berates the "young upstarts" who "just try to upset things with their new-fangled theories."

"The real work before us," says Alaska Jane, "is to understand and propagate the philosophy of Henry George. Why can't we all pull together for that great work?"

—ROBERT CLANCY

Art and Society

By AMI MALI HICKS

MOST people are naturally shocked by the wanton destruction of the great masterpieces of art and architecture now going on in Europe. But perhaps we would not feel as keenly about this specific kind of vandalism if we had any reassurance that art as great or greater could be created in our present civilization. We would not have the same feeling of helplessness or futility. We realize, of course, that art or architecture created now would be of a different type but we do not believe that any art in present times could reach the perfection of that older workmanship or have the intense feeling for beauty it expresses. So it is true then that when we deplore the destruction of these masterpieces we are thinking rather in terms of art than in human values.

But how was it possible to create this art of the past? In the centuries when it flourished, particularly in the period of the Renaissance, there were wars followed by and preceded by conditions of poverty, destruction and famine. Then, as now, there were hordes of vandals relatively as terrible in kind if not in numbers who swept through the existing civilizations. And then as now, art had no part in the life of the average human being. The great artists of that time lived on a superstructure of want and misery. There was tyranny, poverty, besides actual human slavery which held the mass of the people in the most miserable conditions of living. But the great artists and craftsmen, Leonardo, Michelangelo, Raphael and many others almost as famous were assured of a certain economic security by royal and princely patronage. The rulers, kings and princes of both the state and church drew their incomes from the lesser nobles and the people by taxes and tribute through force and fraud. The art and architecture of those periods were created under these conditions. The monasteries where painting and sculpture were practiced by the monks were subsidized by royalty and nobility—because as they upheld the church, the clergy in turn, upheld the state. Both drew their incomes from the poor and ignorant who feared their power.

Now when we are shocked by the destruction of this great art of the past we are emphasizing the wrong values. What should really shock us is the existence of conditions in our so much later and supposedly advanced civilization which still produces hordes of vandals who increasingly destroy both life and art. So while there can be no ignoring of what is happening in Europe, we need not include ourselves emotionally in the general chaos, if we think now in constructive terms. What has happened now will continue to happen until we change conditions. It is not the result

of something which has occurred this year or last year; it is the result of world conditions which have existed for centuries, and could have no other outcome.

But there is still possible another condition of society based on economic cooperation which, through equal freedom for all, will raise the level of human values. With such a change will follow the opportunity for the expression of beauty in painting or architecture which we call art. For though our standards of beauty may change there will probably still be the necessity for some expressions of values which reach beyond the actualities of life and relate each of us to a more general consciousness.

Until we have such a society, the artist has little more than a choice between the mob and the ivory tower; between being a tool of the forces of despotism and destruction or the socially protected artist who gets a living from those who exploit the mob.

Mexican Art

IN few other countries is art linked so closely with the life of the people as in Mexico.

With the ancient pre-Columbian Mexicans, art was a direct expression of their ideals and religion. Among the concepts which were important to them were those of fertility and maternity. An oft-recurring theme in the ancient statues and reliefs was the mother and child motif. As with most other faiths, the Mexican religion held that procreation and increase in population were a blessing, not a curse.

The Spaniards brought with them the European tradition of art, as of everything else. The paintings and sculptures of the period 1600-1900 are mostly wearisome, stylistic, academic works. A refreshing relief from this art is the spontaneous and vital art of the peasants—the "Folk Art". It is the expression of those close to the soil. They painted and moulded things real to them—the abundance of nature, the life of the workers, the simple family life, their deep religious faith. Oppressed though they were, their art is now recognized as superior to that of their masters.

In the Folk Art there are hints, now and then, of discontent at the prevailing contrast between rich and poor. This murmur becomes loudly articulate in the twentieth century. It is heralded by Posada's bitter protest against oppression in his powerful wood-cuts.

The famous group of modern Mexican artists—mostly muralists—is closely associated with the Mexican Revolution. Their art bespeaks the prime importance of the land question. Diego Rivera, most prominent of the group, concentrates on the sufferings of the landless peons in his murals, and the words *TIERRA Y LIBERTAD* flare across his frescoes. His painting, "Sugar Cane," portrays clearly land-ownership as the basis of the exploitation of the peon.

“Willing to Wound, Afraid to Strike”

By DOUGLAS J. J. OWEN

THE foundations of a just peace, and expectations of a better world, continue to be favorite topics of discussion in the British press. An important example was the letter in *The Times* of December 21, signed by the Archbishops of Canterbury and York, Cardinal Hinsley and Rev. W. H. Armstrong, Moderator of the Free Churches. It is unique to have four such signatures to one document, which contained ten essential conditions of peace, the last item being: “The resources of the earth should be used as God’s gifts to the whole human race, and used with due consideration for the needs of the present and future generations.”

No one could quarrel with this somewhat abstract sentiment so long as no content is imported into it. Its value is in the recognition that there is a land question that must be settled before peace can come.

Further significance is given to the dictum by the specific suggestions for dealing with the land made by one of the signatories, Dr. Wm. Temple, D. D., Archbishop of York, in “The Hope of a New World,” a reprint of his broadcast addresses. Dr. Temple’s proposals deserve extended consideration in an American journal, not only because of the eminence of the author and his wide influence, but because his approach to land reform is so typical of British tendencies, revealing as it does, the influence of Henry George’s work whilst betraying a reluctance to accept his teaching.

The Archbishop’s premises are very near those of Henry George. He states (p. 53): “Thus in the Law of Moses purchase of land in perpetuity is forbidden, for the land belongs to God and is granted by Him to His people for their use. Now it is the Common Law of England at this moment that all the land of England belongs to the King as representing the whole community and the divinely constituted authority within it. And so-called landowners hold the use of the land but not absolute dominion”. This of course, is pure theory. In practice landowners hold, not so much the use of land, as the power to say who else shall use it and on what terms, and this power is absolute.

After stating the principle, Dr. Temple proceeds: “It must, however, be recognized that the rural landlord discharges many social functions, and ownership of agricultural land, subject to consideration of the public welfare, should not be subject to the same restrictions as ownership of industrial stocks and shares; moreover, as family tradition is in this field a valuable social asset I should personally urge the total exemption of all agricultural land from death duties.”

Verily, the voice is the voice of Jacob, but the hands are the hands of Esau. A note is appended to the chapter, suggesting that it would be quite easy to exempt from death

duties all land already exempted from local taxation as agricultural land. American readers may appreciate the fact that unused land in Great Britain, however valuable, is subject to no taxation except insofar as it is valued for death duties purposes and even then the tax is steeply graduated, so that one-tenth of an acre worth £5000 belonging to a person who had no other property would be under a small tax, whereas if this £5000 land belonged to a man who had, say, property worth £100,000 elsewhere in the country, the tax would be very high. Death duties are not the onerous burden that is often pretended, for an inheritor of a large estate may pay the death duty by selling a small strip of his estate to builders, and the payment of the duty may be spread over a number of years. In a similar way, the British Income Tax in its schedules A to E has the so-called “property tax” schedule A, excluding the value of all land which is not put to any use, however valuable it may be. It is in the rural areas with their large county estates that the disuse of valuable land has its worst social consequences, and it is this land, already free from the local taxation imposed upon rural cottage property, that Dr. Temple in his capacity as a leader of public opinion, would exempt from death duties.

Urban landlords, however, as distinct from the rural species, are to be subject to “gradual elimination . . . by drastic death duties.” Willing to wound but afraid to strike, we must be *drastic* but only *gradually*!

English single taxers have always pointed out the defects of the death duty legislation, and have had something to put in its place. Dr. Temple cannot be ignorant of this alternative to death duties and of the true application of the Law of Jubilee, for on p. 59 he says: “A vivid account of the Mosaic Legislation concerning Economics can be found in *My Neighbor’s Landmark* by Verinder, lately republished by the Henry George Foundation.” He goes on, indeed, to advocate a kind of inversion of the taxation of land values, when, after stating that he would forbid the sale of urban land except to the public authority, he proceeds: “Thus, for example, the London County Council would in course of time become the ground-landlord of London, and *could then use the ground rents for public services . . .*” (Italics mine). Can the Archbishop really be unaware of the fact that the London County Council does not want land in their area to be dealt with in this way; that, on the contrary, the L.C.C. have moved heaven and earth, as recently as 1936, to secure powers to levy “rates” (local taxation) on land values? (This was described at length by the present writer in his article, “The Battle of the Towns,” *LAND AND FREEDOM*, Nov.-Dec. 1940).

Dr. Temple’s plan, to buy first and then use the rent of

land for public purposes, is identical with all land-nationalization-by-purchase schemes, although he repudiates the land-nationalizers. We may ask all those who would take still more from the over-burdened taxpayer in order to buy land, how this accords with the principle that the resources of the earth are God's gift and that the land belongs to God.

When the Archbishop shrinks from possible identification with the Henry George cause, like Naaman at the waters of Jordan, it appears to be because he desires the "safeguarding of tradition and of family connection with agricultural land", and "the many social functions discharged by the rural landlord". This function of rural county magnates in an earlier age has been vividly described by a Conservative historian, Arthur Bryant, in "English Saga 1840-1940", in which he says:

"The real rulers of England were still the greater squires. In the course of a century and a half of monopoly and splendid unblushing corruption, they had inch by inch pared the powers both of the Crown and of the smaller squirearchy. In the latter eighteenth century, in their hunger for ever more land, they had even destroyed the English peasantry

"One sees them in the tell-tale pages of Mr. Creevey; with their rentals multiplied out of all measure by improved agriculture and urban expansion but already divorced by their staggering wealth from that close contact with reality and their humbler fellow-citizens which had enabled their forebears to obtain power."

These quotations give point to my article, "County versus Country" (LAND AND FREEDOM, Sept.-Oct., 1940), and are a corrective to Dr. Temple's too generous estimate of the place of the rural landlord in the scheme of things.

It is certainly unusual for an Archbishop to descend into the economic arena with specific proposals. "The best suggestion known to me here," says Dr. Temple, "is that a general valuation of all land should be made as soon as possible, and no sale at a higher price than this, nor rent at more than a fair percentage of this, be permissible, unless it can be shown that an increase in value has been caused by the action of the landlord." This is put forth to thwart unreasonable expectations, such as that of "turning to private profit the additional value which land may acquire through the enterprise of others or through communal activity." Here is a recognition of the fact that land values are due to communal activity and also that under private ownership there are expectations and speculations in the rise of land values, confirming Henry George's chapter on "The Effect of the Expectation Raised by Material Progress," in "Progress and Poverty", Book IV. "Hence", says George, "from the fact of speculation in land, we may infer all the phenomena which mark these recurring seasons of industrial depression."

The obvious solution is ignored by Dr. Temple save for a hint about Verinder and Henry George, and in its place is set up something that reeks of the discredited Lloyd George increment legislation of 1909-10. We may take leave of the Archbishop with the most revealing quotation of all from p. 59: "But there should be no mere confiscation. The new order must not be introduced with callous indifference to reasonable expectations encouraged by the old order".

Callous indifference forsooth! Is the new order to be introduced with callous indifference to the misery, poverty and continuous robbery caused by the private monopoly of land in town and country? What about the reasonable expectations of the common people everywhere that fundamental justice shall be done and the earth made free to all on just terms?

Certainly the expectations of land monopolists have been stimulated by all the talk of new orders and reconstructions. Speculation in bombed sites is known to be rife. So much so that the Government has had to take action by setting up a Committee of five to consider as a matter of urgency the means of preventing speculation in land in bombed areas.

British followers of Henry George have not been unfaithful or unfruitful in their work. But it seems as though God had hardened the hearts of priests and rulers until, plague following upon plague, they shall at last allow the people to have an entrance into the promised land.

Land Speculation Impedes Defense

By GAULT MacGOWAN

[Reprinted from *The New York Sun*]

THE United States Government's program of building a string of air bases in the West Indies is receiving setbacks as a result of the operations of land speculators in areas adjacent to suitable sites, according to information received here (London).

It is understood that speculators operate in the guise of tattoo artists, photographers, tobacconists, dance hall operators and the usual camp followers. They flock to the neighborhood of military depots and proposed bases and buy options on acreage from the simple farmers.

The swap of destroyers for authorizations to build bases on British territory was made with the understanding that the United States would acquire the necessary land, paying suitable compensation to the local owners. While the most likely land formerly was most reasonably priced, it is understood that intelligent owners immediately boosted their prices sky high, while the land sharks besieged the unintelligent peasants, buying valuable options for a few dollars apiece. One large landowner is understood to be asking \$5,000,000 for certain territories devoted to tropical produce.

Our Canadian Letter

THE Conference of Dominion-Provincial premiers, convened in Ottawa last January to consider the report of the Rowell-Sirois Commission, split on the second day of its deliberations. Three provinces—Ontario, Alberta and British Columbia—would not enter into discussions on the basis of the plans of constitutional changes proposed in the Commission's report, so Prime Minister Mackenzie King terminated the proceedings forthwith. While official consideration of the report is shelved for the duration, it will be discussed on the hustings, for the Manitoba legislature has been dissolved, and a provincial election called for April 22nd. The Manitoba premier was the most ardent proponent for carrying the Sirois proposals into immediate effect. It is a moot question whether the findings of the Commission arose out of its report, which provides a great deal of ammunition that Georgeists can use to advantage against the present fiscal system. It is to be hoped that much of the Commission's work can be salvaged.

CANADA AND THE LEASE-LEND BILL—Parliament has resumed and is considering the war budget as this letter is written. Some opponents of the Lease-Lend Bill (now happily adopted by Congress) claimed that the United States were being asked to do more than Canada, who, it was inferred, was not nearly so altruistic towards Britain. The answer to that, of course, is that Canada has been all out in the war from the start. The government is asking Parliament for \$1,300,000,000 for war purposes alone. We do not number more than 12 million people as compared with 130 million in the United States. President Roosevelt has asked Congress for \$7,000,000,000 to implement the Lease-Lend Bill, so Canada's war effort is fairly commensurate. In addition, the normal cost of government, estimated at about \$500,000,000, must be provided for, and there are other commitments arising out of the war. Altogether the federal financing is likely to run to \$2,500,000,000 this coming fiscal year, a considerable part of which will be raised by borrowings, or through taking advantage of the provisions of the Lease-Lend Bill.

Unfortunately for Canada, our taxation system makes the load in a time of stress all the greater. A suggestion of the Henry George Society to the Finance Minister that the federal authority should levy a land value tax after the fashion of Australia and New Zealand has elicited an official reply, firstly to the effect that the government regards land value taxation as the preserve of the municipalities, and, secondly, that the Rowell-Sirois report does not recommend such taxation. If, however, that Report is to be the criterion, then the Finance Minister should abolish all consumption taxes.

THE ST. LAWRENCE SEAWAY—Negotiations regarding this huge power development project are nearing the stage

where a treaty will be signed between the United States and Canada. There is a suggestion that the Dominion government may adopt it as a war measure. Land values in the affected areas will increase, but neither the federal authority nor the provincial will get the benefit of these values under the present set-up—they will continue to be privately appropriated. The province of Ontario will have to rebuild a considerable mileage of highway due to the flooding along certain portions of the river, and several towns will have to change their sites for the same reason. Stiffening of land values is already reported in the areas to be affected.

RENTAL CONTROL—The Ontario Property Owners Association passed a resolution of protest against the "continued refusal of the Wartime Prices Board of the right of owners of residential properties to a moderate, basic return on their investments," and the Dominion Mortgage & Investments Association wants the basis of rental control to be changed and a "fair return to landlords" principle adopted. The fair return is to be based on the investment, but the questionable part of the investment may be the speculative cost of the land in some boom period. It is amazing how much urban real estate in Canada is administered by trust companies, hence the interposition of the Mortgage & Investment Association.

The Property Owners Association further deplores the "continuance of the policy . . . of encouraging war profiteering by tenants at the expense of property owners." Now that there is a boom in rooming space, the landlords inject a sour note because the tenants have a chance to make a little money, for which incidentally they furnish service, which the land speculator does not. A disgruntled landlord wrote a letter to the *Ottawa Citizen* and some of his remarks are worth perpetuating for museum purposes. "Rental control," he says, "was not invented for property owners . . . Rental control was created for a superior race, the tenant. Tenants are, in many cases, tenants that they may travel unhampered by property from place to place, taking advantage of the highest salaries." Sour grapes! —HERBERT T. OWENS.

The Antioch Review

THE first issue (Spring, 1941) of the new quarterly, *The Antioch Review*, has come to us. This excellent work is edited by a group of men at Antioch College, though it is not an official publication of that institution. The *Review* is frankly dedicated to the struggle of democracy in the present-day world and to the quest for a sane and democratic post-war reconstruction. The editorial board includes our good friend, Dr. George R. Geiger, Professor of Philosophy at Antioch. Dr. Geiger's contribution to the Spring *Review* is an article, "Philosophy and Social Change," in which he eloquently reiterates his plea that philosophy choose the course of realistic effort in making this world a better place to live in.

Signs of Progress

GEORGEIST ACTIVITIES THROUGHOUT THE WORLD

Robert Schalkenbach Foundation

REPORT OF V. G. PETERSON, SECRETARY

Several abridgments of "Progress and Poverty" have made their appearance in Georgeist literature. Some of these shortened versions have had wide circulation. "Significant Paragraphs from Progress and Poverty," for instance, ran into editions totaling sixteen thousand copies. It was widely used in colleges where professors did not hesitate to make it required reading because the price was low and the reading time a matter of only an hour or two. However, after years of using that book in his economics class at Missouri University, Professor Brown, compiler of "Significant Paragraphs," came to feel the need of a book which presented the argument more fully and yet demanded not over half the reading time of the unabridged work. This objective was realized last year when Professor Brown prepared "Progress and Poverty, Abridged." He has omitted the eighty page discussion of the Malthusian Theory contained in "Progress and Poverty," much of the section on the wage fund theory, and the chapters on interest. Thus, it has been possible to keep the book down to 232 pages and yet maintain a consistent march of the argument in Henry George's own words. A trial edition of this book was published last year by the Henry George School. The first large edition is now on the Foundation's press and will be ready by early April. It will retail at twenty-five cents a copy, postpaid.

It is a real privilege to announce a limited supply of "The Struggle for Justice," by that distinguished author and lecturer, Louis Wallis. The books, which have previously cost one dollar a copy, will be sold at fifty cents. In a thumbnail sketch of that most thrilling of all dramas, as old as history itself, the struggle for justice is pictured in its various phases: the period when the Hebrew race was being forged from the nomad clans of Israel and the Amorites of the walled cities of the lowlands of Canaan; the years when the barbarous tribes of Europe were being fashioned into the nations of today; the Middle Ages; the Reformation; the heightened tempo of the Nineteenth Century, down to Modern Times. "Within recent years," says Mr. Wallis, "the people have more and more turned away from the church because it has been identified with a platform which has failed to meet the increasing pressure of our time. It has denounced the shortcomings of men in their private lives; but it has not flamed with high enthusiasm for the righting of social wrongs." Mr. Wallis predicts that the struggle for justice will end with the social gospel triumphant, and the Bible, as explained by scientific scholarship, as the center of the greatest movement for justice and freedom that the

world has ever seen. One of our friends, who had purchased many copies of this book at the original dollar price, has already subscribed for twenty-five of this special fifty cent offering.

At long last we have been able to obtain a shipment of the Spanish edition of "Progress and Poverty" from Madrid. They are the first to come into this country since the Spanish civil war. German and Italian translations, which are often asked for, are unobtainable, and the time seems far distant when we shall again be able to import them.

A recent trans-Atlantic mail brought an interesting letter from Mr. Madsen of London. He asks for twenty more of our calendars, reports on the activities of the British Georgeists and says nothing, absolutely nothing, about the war. Also on that boat came a fresh supply of "The Great Iniquity," by Tolstoy, and some copies of the popular Verinder book, "My Neighbor's Landmark." This interesting book, which retails here at thirty-five cents, is a series of informative studies of the land laws of the early Jews.

Our circularizing of the normal schools throughout the country has resulted in the sale of several hundred copies of "Progress and Poverty" to instructors and professors in these important educational centers. It has also brought us requests for material for class study and evidence of a kindling interest in the whole subject of Georgean economics.

We quote from an interesting letter from a well known professor with whom we have been corresponding: "Thanks for the book you sent me and also for the calendar. I think it is about time that I gave Henry George his due and I consequently plan to include him this year in my course on economic thought."

From a friend in Texas—one who now finds an outlet for his Georgeist energies in the writing of strikingly original poetry—comes this encouraging remark: "I am much pleased with the calendar. It has the best picture of our prophet I have ever seen. I congratulate you on the selection of the quotations. Each one is as good as a sermon."

Into a letter which Dan Beard wrote us the other day, he tucked this sentence: "The trouble with us single taxers was that because we saw it so plainly, we thought everybody else could, and I have a suspicion that many of them did, and that was the reason they were so bitter in their opposition." Dan Beard, you know, is the Grand Old Man who has done so much to build the Boy Scout movement to its present size and strength.

In ordering literature or making inquiries, address Robert Schalkenbach Foundation, 32 East 29th Street, New York, N. Y.

Henry George School of Social Science

Edwin Ross, who had been occupying the position of Assistant Director at headquarters, has been transferred to Philadelphia, where he is now serving as Field Director, in the same capacity as John Lawrence Monroe in Chicago, and Teresa McCarthy in New Jersey. Plans are under way to incorporate the Henry George School of Philadelphia under the laws of the State of Pennsylvania.

At headquarters, the new Assistant Director is Miss Margaret Bateman, of Montreal, Canada. Miss Bateman considers her stay at the School a period of training, after which she will return to Canada to apply the experience she has gained to the Canadian School of Economic Science, thus following the precedent of the other Field Directors. The lady from Canada has won every one with her charm. Miss Bateman was formerly a sales promotion manager for Standard Brands. She is also one of the Directors of the Montreal School of Economic Science. A few years ago Miss Bateman toured Europe. She was especially impressed by the Folk Schools of Denmark, and it is her ambition to establish similar schools in Canada. She believes that such a venture would do much to stimulate interest in Georgeist philosophy, as indeed it has done in Denmark.

A new procedure has been adopted in the schedule of the courses in Fundamental Economics. A fifteen-week semester will start afresh every month. The classes are being staggered so that people who have missed the first two weeks of one semester will not have to wait thirteen weeks to enroll. There were about 1000 enrollments for the February classes in Fundamental Economics and 500 for the advanced courses. Mr. Paul Peach has started a class in Mathematical Statistics. He hopes to prepare his students to cope with statistical problems. About 350 enrolled for the March course. Another semester started the week of April 7th.

BERKELEY, CALIF.

Miss Helen D. Denbigh, co-leader with Miss Grace Johnston of the Berkeley Henry George School, sends us the following charming account of "A School Day Outdoors, in California":

The East Bay Extension of the Henry George School had finished all the work connected with its classes, and there was to be a short interval before the work of organizing new classes began. Miss Grace Johnston invited a little group of workers in the cause to join her in a trip along the open road, in her new Pontiac. We went by way of Berkeley over the Carquinez Bridge to the rapidly growing town of Vallejo (with the Mare Island Navy Yard at its left); then we passed through the lovely vineyard country of the Napa Valley, with its wineries and quaint houses.

About noon we arrived in Calistoga, and after lunch, set off for Healdsburg and the Russian River with its great redwoods, standing in peaceful majesty, with their towering trunks feathered by soft greenery toward the top. The Russian River is so named because

of an attempt by Russians early in California's history to found a fur-trading colony. Their fort built at Ross still stands. We followed the river's winding turns through lovely country to its mouth at Jenner. There, at sunset, we saw the fresh water meet the salt ocean on the sand bar at the river's end. Great broken earthy islets stand out from the shore. Headlands such as these are frequent on this comparatively gentle Pacific Coast.

We hurried home along the shore as night fell, passing the fishing villages and the home-coming boats, and watching lights appear in homes. A glorious day we had, spent in goodly company.

"I think our movement needs a spiritual home, and I think that home should be the School," said Oscar Geiger, on just such a lovely outdoor day spent at Mahwah River in Suffern, New York, with students and friends of the School, in June 1934. "Fellowship grows by association," said John Lawrence Monroe to me once. The interchange of ideas and companionship on such a day as this, we've found, brings forth good fruit in the working days that follow.

Manhattan Single Tax Club

President Ingersoll is chairman of a committee of four, including himself, John H. Allen, Alfred N. Chandler, and Mrs. Olive C. Sanford, which is working vigorously and systematically for the passage of the Sanford Land Value Tax Bill through the New Jersey Legislature. This is the same bill that passed the Assembly in 1939. Originally written by George L. Record, it would enable municipalities to remove in five equal annual installments the taxes on improvements and personalty, and simultaneously to increase at the same rate the tax on land values.

In the belief that this is a splendid opportunity to publicize the Georgeist philosophy, the Manhattan Single Tax Club is devoting every facility to the prosecution of this campaign. It has arranged for Mr. Harry Haase, Director of the School of Democracy, to assist in the interviewing of legislators and general propagation.

American Alliance to Advance Freedom

The Alliance has organized two groups of Georgeists, who, under the leadership of experienced teachers, are training themselves in the use of an "Outline for Discussion, of Current Problems in the Light of the Philosophy of Henry George." The "Outline" was prepared by Gilbert M. Tucker, a member of the Provisional Executive Board of the Alliance. The members of these groups, when they become proficient in the use of the "Outline," will then organize and lead discussion groups of non-Georgeists in accordance with a plan for spreading Henry George's teachings.

An enthusiastic capacity crowd attended a general meeting of Georgeists called by the Alliance and held at the Hotel Collingwood, New York, on March 7th.

Another general meeting has been called for the evening of April 18th, at the City Club Building, 55 West 44th Street,

New York. The program will include a round-table discussion on the topic, "Roads to Georgeism." About half a dozen Georgeists, representing different points of view, will discuss their ideas on the best methods to advance Georgeism. All Georgeists are invited to attend. Admission is free.

Readers are invited to send for a complimentary copy of "A Proposal for Georgeist Action Now," an eloquent plea based on the writings of Henry George and an analysis of the present world situation. Address your request to: Mr. Elbert E. Josefson, Secretary, American Alliance to Advance Freedom, Suite 505, 22 West 48th Street, New York, N. Y.

The Two Commonweals

After a lapse of some time, we are happy to receive a letter from J. W. Graham Peace. He writes:

"It is now a long time since I have seen LAND AND FREEDOM. I am lost without word from American friends. The war must be the reason, I suppose.

"In case you had thought us dead, let me tell you that nearly 200 meetings were held during last year; and in spite of the blackout and numerous other inconveniences, several open air meetings have been held in central London—often interrupted by the barking of the A-A guns a few hundred yards away from our stand.

"There will be much to report when the present check (it is not a ban) is eased, and the press is restored to its former freedom. Don't misunderstand me. The censorship is voluntary—if the writer is prepared to take the consequences of any mistake he may make in judging the likely effect of his writing upon readers here or overseas."

Mr. Peace is hoping to re-establish his admirable little weekly publication, *Commonweal*, which was temporarily suspended when the war broke out. If interested in supporting this paper, communicate with Mr. J. W. Graham Peace, 6 The Close, Rayners Lane, Pinner, Middlesex, England.

Another *Commonweal* that was suspended for a while and has recently been revived, is the New Zealand publication of that name, edited by T. E. McMillan. The January-February issue contains a discussion of the New Zealand Labor Government's policy on land nationalization. A leasehold tenure has been devised, to supplant the old freehold tenure. The People's Movement, a political organization, is endeavoring to restore a true freehold system, and New Zealand Georgeists see in this an opportunity to influence the People's Movement with Henry George's proposals. If interested in the New Zealand *Commonweal*, address T. E. McMillan, Hohaia Street, Matamata, New Zealand.

Australia

In the House of Assembly elections, on March 29th, there were three candidates advocating Henry George principles. They were: Charles Hobbs, for the District of Stuart, J. P. Moore, for the District of Eyre; and our old friend, E. J. Craigie, for the District of Flinders. Mr. Craigie is a candidate for re-election, the other two being new candidates. We have not yet received the results of the voting. It will be reported in our next issue.

In the Manifesto to the Electors, the three men stand for undiluted Georgeism. To quote: "We are aware that governmental activities cannot be maintained without revenue, and we also know there is no justification for the taxation of industry until the *natural revenue* proves insufficient to meet the cost of all *necessary* government. What is this Natural Revenue? It is the *Land Rent Fund*. How is this brought into existence? Simply by the presence of the people! . . . Any student of economics knows that in the centers where there is the greatest population and where social services have been provided to the greatest extent, there also will be found the highest unimproved land values. This is because of the operation of a natural law which automatically provides a land value fund sufficient to defray the cost of necessary government services . . . Up to the present party governments have allowed this *community-created fund* to be appropriated by private individuals, and have then taxed industry to meet the cost of government; with the result that many forms of industry have broken under the strain. Are you going to allow this unjust policy to continue?"

There will also be Georgeist candidates in the May elections in New South Wales. *The People's Advocate* reports the formation of a new Georgeist party, the New Social Order Party. We quote: "The Party is a development from the Henry George School of Social Science in New South Wales. The young men associated with the School hold the opinion that political action is necessary to apply Henry George principles to the vital affairs of life, hence it is their intention to run candidates at the forthcoming elections in New South Wales next May. We wish them success in their efforts, and trust that they will be able to secure the election of a number of their members to voice sound principles in the New South Wales halls of legislature."

Argentina

A remarkable series of lectures was given Yby Sr. B. Maciello of Rosario, presenting in a didactic and popular way the abstruse principles of Henry George's "Science of Political Economy." The lectures, delivered at a motion picture theater, were heightened by the use of pictorial slides, illustrating the three factors of the world, the laws of production and the laws of distribution. The project was undertaken with the cooperation of the Cinematografia Colon Studios.

The Power to Exact Wages

By DR. ROYAL E. S. HAYES

A FRIEND tells me of an incident which occurred when natural gas was piped into his town. A widow complained to a morning newspaper that her landlord raised her house rent on the ground that she could pay more because of the saving in her fuel bill. "You did not supply the natural gas," she said. "What difference does that make," he retorted, "it's my house."

The significance of the incident is not that it was striking. It is that the same condition and cause, though less obvious, affects every person in the civilized world. Government through law ignorantly stifles normal competition. It gives landownership license to hold labor off the land for a price. This limits the use of land. It keeps enterprise down as well as competition. It causes high prices in general. It makes labor compete against itself. In other words, it permits the greater part of wages to disappear in the price of land.

The point in theory that I would discuss is in the comment which my friend made on the affair. He said, "When will people wake up to the fact that ground rent is a social value and belongs in the social fund?" This provokes a few other questions which I would like to ask. Is all of present ground rent a social value? Is that which the landlord extracted from the widow a social value and does it rightfully belong in the social fund? What moral right has government to legalize such "hyjacking?" What right to collect from the landlord that which he clubs from widows or others? Is it a fine thing for government to be a receiver of stolen goods? Is this something to work and pray for? If so, count me out of both.

The fact is, it is not George's proposal at all. He would starve in the streets again before he would favor such a plan. He would say that which the landlord took from the widow was her wages; that no man, official or otherwise, has a moral right to this part of her subsistence. When the landlord got the extra rent from the widow it took the form of monopoly and speculative rent. As George said, "Over and above the economic rent there is the power that comes by monopoly, which may be called monopoly rent. The power to exact that monopoly rent comes from the power to keep labor off the land."

It is clear then, that wages and its security to labor is a definite factor to reckon with in distribution. It is by all means the most important factor in livelihood. Let us therefore wake up thoroughly to the fact that as a matter of distribution, except at first to get a start, government is to collect the economic increment only, leaving the monopoly and speculative quantity in the pockets of labor as wages. Let us think more about wages and worry less about the "social fund" and "social services." Let us envision wages for what it is, not only a definite factor in distribution but the greatest and grandest economic provision of nature on earth. The fullness of life can come only through WAGES, gained through the handiwork, craftsmanship and thoughtful care of man himself, through his labor with hand and brain.

Wages! World wide and universal! What depth of human implications here! What a subject for writers, thinkers, leaders everywhere! This wisdom of George will be listened to when men have gone through the lower depths of the coming decade. The world strafing which will result from the blind struggle to escape the consequences and to overcome the legal advantages which men have built up against each other, will give us the opportunity of the age.

This light must come! But it will have to come from the original spiritual insight and fire which since George's time has dulled down to a spark. Let us fan the true spark into a great illumination! But we shall have the breath and power for that only by returning to the

original purpose of George, to elevate wages through a just distribution of wealth.

George's factual wisdom and utopian vision must be brought to all sorts and orders of people, especially to those who have suffered most from economic injustice. Let us return to the original purpose and plan. Then society will put aside the universal robbery, the exactions of legal advantages. A flood of wages will then flow over the earth so that, as George said, "The industrious will be the rich people of the future . . . That all may have leisure, comfort and abundance, not merely the necessities of life, but even of that which are now esteemed the elegancies and luxuries of life." Let us give our best thought to the problem of labor and its wages. The social fund will then almost take care of itself.

BOOK REVIEW

"A Quest for International Order," by Jackson H. Ralston. John Byrne and Co., Washington, D. C. 1941. 205 pp.

In this book, a solution to the international affairs of today is offered by a Georgeist. Permanent peace and the forces that prevent this state from being realized is the theme.

The author's solution for world affairs is in the field of International Law. In individual human relations, says the author, we have learned, to a certain degree, to distinguish right from wrong. The state, which exists for the individual, should be governed by the same laws of justice. But this lesson has not yet been learned. That this misconception (or rather, lack of conception) prevents peace is vitally demonstrated in Judge Ralston's book. It is best stated in the author's own words:

"We have in the international field the absolute want of any ideal or ultimate aim in the interest of the individual, such as prevails within the state. Our rulers have labored in the interest of an impossible object. To them the ineffable state has appeared everything. In truth, the state is a mental conception and to labor for it directly is to labor for nothing of reality. The only reality is the individuals who compose the body of the nation. International relations have not gone down to this bedrock of all law—the individual. In the study of human welfare he is not to be ignored or to find substituted for him the unreal state. We have a serious quarrel with the International Law writers who fail to recognize this fundamental fact of what only by courtesy today can be called their science. We wonder they have not studied the effect of violations of right upon the individuals of a nation when its rulers violate the freedom of the vanquished."

Judge Jackson H. Ralston is well qualified by experience to offer his solution. He has been a lecturer and writer on international affairs for a great many years. He was an umpire in the Italian-Venezuelan Mixed Claims Commission.

Many topics usually discussed in connection with international peace—such as neutrality, intervention, national interests, etc.—are dealt with in the present volume. But they are subjected to a critical analysis unusual in such discussions, and the errors and deficiencies of International Law as now practised are constantly pointed out. A reading of this book will show how satisfactorily the author has performed his task.

The difficulty encountered by this type of literature is not so much the subject matter as the period in which it is written. Nations at present are not interested in a better understanding of the conflict now being waged, but only in the continuance of the conflict until victory is attained. Opinion-forming agencies are not likely to give deep reflection to the ideas expressed by Judge Ralston. But precisely for this reason his work should be given major attention.

LOUIS TAYLOR

CORRESPONDENCE

"THE PHILOSOPHY OF FREEDOM" GOES OVER

Gaston Haxo has done a wonderful job with "The Philosophy of Freedom."

HEMAN CHASE

"The Philosophy of Freedom" is a perfect mine of interest and progress in the field of economics. Mr. Haxo has given a great deal of thought to this elucidation of "Progress and Poverty," and this is quite a contribution to the cause.

WILLIAM E. CLEMENT

I like the dedication, preface, biographical sketch and introduction, with the "gems" preceding each book. I like the print, the diagrams, the binding and the cover. It is a worthy effort, and will help in the clarification of the theory set forth in "Progress and Poverty." I was very glad to see tables and footnotes bringing facts of these present years to bear upon the problem.

HELEN D. DENBIGH

I read the book with a great deal of interest and was very much impressed by the clear, concise way in which Mr. Haxo presented the subject matter of "Progress and Poverty." It ought to prove a boon to the busy, modern day student of economics.

SYLVIA KANGAS

I have found Gaston Haxo's book of very real value in teaching fundamental economics. "The Philosophy of Freedom" is a brilliantly concise piece of work which belongs in every Georgeist's brief-case. I can't imagine a more admirable adaptation of "Progress and Poverty."

A. C. MATTESON

"The Philosophy of Freedom" should be of considerable help in presenting a simplified form of scientific and practical aspects of Henry George's theory. I have placed extra copies of the book in State and City libraries.

LAWRENCE W. RATHBUN

"The Philosophy of Freedom" seems an excellent summary.

EDWIN S. ROSS

Haxo's book is indeed praiseworthy.

JOHN Z. WHITE

["The Philosophy of Freedom," by Gaston Haxo, is a study in fundamental economics adapted from Henry George's "Progress and Poverty." It is published by LAND AND FREEDOM, and may be obtained from us for \$1.00 postpaid.—Ed.]

EDITORS LAND AND FREEDOM:

For information on land and taxation in Soviet Russia, I should like to recommend my article, "The Public Finance of U. S. S. R.," in the issue of *Taxes* for 1939. All land in Soviet Russia is nationalized and there is no private trade or private industry. One must get a special license even for the sale of one's used trousers (See page 19 of my study).

I would like to give more information, but unfortunately I am terribly busy at the present time working on the Illinois Tax Reform. Northwestern University, Ill.

PROF. PAUL HAENSEL

PRAISE FOR THE LEGISLATIVE FRAMEWORK

I have read with deep interest "A Legislative Framework for the Philosophy of Henry George." It embodies proposals for legislative action that are free from the serious objections heretofore properly attributable to all similar proposals, so far as I am aware, heretofore advanced. I may add that the "Framework" itself promises to be very educational.

GEORGE L. RUSBY

I regard the "Legislative Framework" as a most admirable setting forth of the legislative procedure necessary to put the Georgeist ideas into action. To my knowledge this had never been promulgated before in so complete and adequate a form. I congratulate you on a fine piece of work.

E. W. GRABILL

The Committee on "A Legislative Framework" has rendered a real service in the preparation and printing of this careful study . . . an admirable pamphlet.

HAROLD S. BUTTENHEIM

I think the Committee has done a wonderful job in working out "A Legislative Framework." It affords excellent basis for focussing attention on the possibilities achievable by legislation of this character.

RICHARD EYRE

The "Framework"—the result, apparently, of much painstaking research—is indeed a valuable contribution at this most critical time in our history. The "Enabling Legislation", it seems to me, has been given special and very helpful study in the manner of its presentation.

W. E. CLEMENT

["A Legislative Framework for the Philosophy of Henry George" appeared as a special supplement to the January-February 1941 issue of LAND AND FREEDOM. Extra copies may be obtained free upon request.—Ed.]

MR. WILLCOX EXPLAINS HIS "CHALLENGE TO PESSIMISM"

EDITORS LAND AND FREEDOM:

One must accept with the grace he may, evidence that the purport of his argument has been missed. So with "A Challenge To Pessimism"! The latter was written to suggest that the gloom occasioned by regarding Rent as an attribute of *land* might be dispelled did unprejudiced inquiry reveal it to be an attribute only of social organization; that instead of being due to "the relative productivity of nature," it was found to be "the measure of the worth only of social and governmental advantages."

From the belief that Rent is an attribute of *land* follows naturally the ideas that Rent is paid for the use of the *land*, and that it belongs to those who, holding titles to land, mistakenly are called "landowners." On the other hand, the belief that Rent is an attribute only of social organization leads as naturally, and directly, to the ideas that Rent is paid only for artificial advantages, and that it belongs to society, whose activities provide these advantages solely that provisions of nature may be enjoyed.

Anticipating beneficial results from such an inquiry, it was asked if Georgeists agreed that those who hold titles to areas of land really were "owners of the earth—owners of climates, views, mines, forests, rivers, harbors, soils?" If Rent really was paid "because the

earth with all of its natural elements and forces *exists?*" If people really pay Rent for the use of the *land?*"

Mr. Sanford J. Benjamin replied to this article in your last issue, and said: "Whoever collects the economic Rent is the landowner, whether it is the community or an individual." I am sure I fail to grasp the intended significance of this statement, since (if Henry George's intuition that Rent belongs to society is sound) it would appear to be analogous to saying that one who embezzles, thereby becomes owner of that which does not belong to him, which I cannot believe the statement was intended to imply.

But I dissent wholly from the view that by any act can human beings become "owners" of land. I believe, as presumably do most Georgists, that no man, nor any community of men however organized, can "own" the earth or any part of it. But supposing men *could* own land, what would that have to do with Rent if Rent is not paid for the use of land, but only for the services of governments in protecting users of land in possession of the fruits of their toil and in the enjoyment of all other social advantages? What would it have to do with "landowners" (if such there be) who neither provide the land, nor the conditions which make people want to use the land or willing to pay Rent—merely title-holders, the very security of whose possession of land, and the guarantee of the validity of whose titles to land, are services of governments?

While he who obtains title to land properly may be called a "landlord," possession of title does not constitute him a "landowner," since purchase of title is not an "investment in *land*." Rent received from an "investment in land" is not comparable, either in cause or effect, to interest received from a true investment. Invested funds properly are used to finance the enterprise in which they are invested. But funds involved in an "investment in land" are not used to finance the land, they are not used to improve its quality or terrain, to increase its area, its accessibility of usefulness to the user of land or to the community; nor do they finance the social conditions which make people want to use land, or to offer (as indeed they do) to pay Rent. In fact, such disposition of these funds is a detriment to the user of land.

Thus, the idea that Rent is paid for the use only of that which is *not* land, in contradistinction to the idea that Rent is paid for the use of that which *is* land, has deeper significance than merely an interest in a "method of achievement" of governmental collection of the total Rent and the total abolition of taxation. But even as a "method of achievement," does it not afford the means to the unification of the aims and endeavors of all who strive towards the goal which none would deny to have been the goal of Henry George?

No incitement to strife over land or cause for wars would exist, were payment of Rent to governments recognized as an obligation of *every* inhabitant in proportion to the benefits which each receives at the hands of governments; instead of as "interest" to "landowners" on pseudo "investments in land." By this method appeal can be made to *every* inhabitant on a basis of business principles of the highest sanction and of *universal application*. Unifying, not divisive, its pursuit could not so much as *simulate* the nature, spirit or aspect, of an "ism" of any sort.

In contrast, can the single tax program have within itself the power of universality to disarm opposition? The "land value tax" has the appearance of a discriminatory tax, since it is a tax ostensibly imposed upon only one half of the population—that half (or less) which holds titles to areas of land in this country. It arrays the latter against the other half of the population which holds titles to none of the land of this country; one faction voting or acting in opposition to the other faction, each seemingly in its own interest, a condition promotive of antagonism and strife rather than of har-

mony and peace. For these among other reasons was it asked: "Were these truths understood and recognized by all—what man or group of men would have the face or unwisdom to precipitate a war to preserve to themselves the privilege of ignoring their obligations to society, that is, the payment of Rent in full to the government?"

Eugene, Ore.

W. R. B. WILLCOX

ANSWERS "PLEA FOR A REVITALIZED MOVEMENT"

EDITORS LAND AND FREEDOM:

Mr. Philip Rubin in his article in LAND AND FREEDOM, "A Plea for Revitalized Georgeist Movement in America", makes an eloquent apology for action and a strong plea for organization. Why have not we Georgeists in America progressed as have Georgeists in other places, like Denmark, the United Kingdom, Australia and New Zealand? asks Mr. Rubin; and he proceeds to give us the answer. According to Mr. Rubin, a small part of the blame lies in the conditions of the times prior to 1933 (prior to the New Deal?) and almost all the rest of the blame lies squarely on the shoulders of Georgeists who are "intellectual snobs", "immaculate idealists" and "dogmatists" who "are proud, oh how proud, of our virginity".

If refusing to compromise with truth earns such labels, then purists deserve them. In my opinion, the only way to make real and lasting progress here or anywhere else is to stand by our guns and preach and, above all, teach truth and nothing else. Let us not degrade our "virginity" by the corruption of Socialism (even the variety known as "moderate"), nor soil our hands amongst the racketeers. As Mr. Chodorov says, throwing out the rascals does little good: "We must get rid of rascality." All the revitalizing suggested by Mr. Rubin has been tried over and over again, by all sorts of pressure groups, for generations, and has always been a failure, because it deals with effects and not with causes, or because admittance of heresies has revolted the very people it sets out to convert. In our own day, witness Townsendism, Buchmanism, Coughlinism, Communism, etc.

I hope and trust that most Georgeists, after reflection, will not be misled by such proposals as "revitalizing," and will persist in keeping our doctrines pure.

Chicago, Ill.

MALCOLM FRANKLIN

EDITORS LAND AND FREEDOM:

We have a fine example of the source of land value on the market here. There is a mud flat on the outskirts of New Orleans (which will have to be filled in), offered to the government for a defense need—four hundred acres at \$1000 per acre—as *is!* I wrote an open letter to the *Times-Picayune*, calling this fact to the attention of our tax commissioners and asking who or what gave this land any value; but it was not printed.

I send many letters to newspapers, and try to arouse some thought on the land question, but it is quite difficult to make people think. Thinking is hard work, and to save the trouble, the average man carries standard answers on the front shelf of his mind for handy reference. Typical among the answers to a challenge on the land question are the following: "Oh, we have so much land now that we can't use; the President has to take it out of commission." "People don't want to go back to the land. Look at all those families trekking back to the cities." "We haven't any more extra land. Our frontiers are all gone." "What would be the sense in producing more, when we have to plough under now?" I really get dizzy trying to think up answers simple enough to penetrate into the "average mind."

New Orleans, La.

MONA McMAHON

FROM THE SECRETARY OF THE YORKSHIRE &
NORTHERN LAND VALUES LEAGUE

EDITORS LAND AND FREEDOM:

Your journal continues to be interesting and instructive, and I wish you great success in your work for economic freedom. We are going through hard times, but there is no lack of faith that Democracy will win in the first round in which we are now engaged. The next round will also be a hard fought one, but we work on in the hope that freedom will at last be advanced.

Keighley, England

FRED SKIRROW

EDITORS LAND AND FREEDOM:

I received a complimentary copy of LAND AND FREEDOM and was greatly impressed. Am only too glad to become a subscriber to such a great publication.

Des Plaines, Ill.

ADOLPH M. ESSER

EDITORS LAND AND FREEDOM:

The office of economics—a science—is to trace, through natural law to its rightful owner, title to wealth. This having been accomplished, the science is or should be through with the subject. If having reached that rightful owner, he, the owner, sees fit to exchange a part of that wealth for lipstick, hair oil, whiskey or whatnot, that comes under the head of his, the owner's, private business and it is not the function of economics to *justify* the transaction. If, on the other hand, that owner prefers to exchange some of his wealth in the outright purchase of a mule or a truck (capital), that also comes under the head of his private business and falls outside the scope of economics. If still, on the other hand, he prefers to exchange some of his wealth for the loan of a mule or a truck (interest), that, too, is beyond the field of economics.

The debates and fine-spun theories about interest, pro and con, which consume so much space in our Single Tax publications, does not do our reputation any good.

Memphis, Tenn.

A. B. PITTMAN

EDITORS LAND AND FREEDOM:

Can it be that "education" has the power to solve all social problems? Georgeists are fairly well-educated and intelligent. Yet, for about sixty years now, we haven't found how to make effectual the advance of the movement.

There are sincere efforts enough, like my own in distributing 100,000 choice pamphlets all over Mississippi during one year. There are foundations, clubs, organizations, periodicals, several "colonies." Why don't we advance? Can it be that in our zeal we are over-looking something?

General political campaigns beget the maximum attention and interest. Two campaigns in our movement *did* arouse large public interest, including that of the enemy. They were, the campaign of Henry George for Mayor of New York, and Luke North's Great Adventure of California. The latter was a straightforward, frank, practical, understandable land value taxation program. It was poorly financed, and yet polled nearly half of the total state vote. Had North lived and directed another campaign, it surely would have been successful.

Does this not indicate that the political method, properly planned, directed and financed, is the surest and shortest road to our objective? If so, all power and effort should be concentrated in one of the states. The campaign there should be kept up until successful at the polls. The contagion of a great political adventure spreads.

Daphne, Alabama

E. W. WALTHALL

NEWS NOTES AND PERSONALS

A FEATURE article on "The Revival of Georgeism," by Jos. H. Fichter, S. J., appears in the February issue of *The Catholic World*. In this excellent treatment, the life of Henry George is sketched, and an account given of the recent revival of general interest in his theories, with special reference to the amazing growth of the Henry George School of Social Science. In conclusion, Dr. Fichter suggests that Catholics and Georgeists may get together. "The object of both," he says, "a more reasonable distribution of wealth—would make such alignment worth striving for."

FROM A. G. Huie, Secretary of the Henry George League of New South Wales (Australia), we have received a 53-page manuscript on the interest question by Dr. Henry George Pearce. This essay is a critical analysis of Gaston Haxo's theory of interest, and is entitled "Haxometry." It is a remarkable piece of work but, unfortunately, too long to be printed in LAND AND FREEDOM. However, we would be glad to send the manuscript to any one who wishes to examine same. When finished, the manuscript can be returned to us, so that others may see it.

AN interesting debate has been running in the *Boston Traveler*, between Prof. Norman Myers of Boston University, and our good friend, Walter A. Verney. Prof. Myers started it by writing to the *Traveler*, alleging that "the single tax is as dead as a dodo," and that it is fortunate that such a fallacious doctrine should have died. Mr. Verney retorted in a subsequent issue of the *Traveler*, pointing out that the single tax is *not* dead, that it has *not* been refuted, and that there are today a host of followers of Henry George. Prof. Myers thereupon conceded that perhaps the single tax is not yet dead, but some day it will be. "Logic and reason," said the Professor, "those ancient methods which so many men unwittingly continue to use today, have provided appealing arguments for the single tax. But have the learned followers of George learned to arrive at truth through experience?" To which Mr. Verney replied by defending logic, despite its antiquity, and asserting that Georgeists most certainly rely on experience.

GEORGEISTS of Washington have been saddened by the death of Mrs. Marie Holm Heath, who for forty years labored untiringly for the Single Tax and other reforms, principally in Washington. Mrs. Heath was one of the founders of the Women's Single Tax Club of Washington, and was for a time its president. Early in life she was secretary to the well-known liberal minister and social worker, Rev. Jenkin Lloyd Jones. Later, when she became interested in the woman suffrage cause, she became secretary to Mrs. Carrie Chapman Catt. Susan B. Anthony and Anna Howard Shaw had no more loyal lieutenant. Mrs. Heath was married to William Spencer Heath.

JAMES J. SAYER, a devoted Georgeist of Portland, Oregon, died December 20, 1940. Mr. Sayer, an Englishman by birth, came to this country when he was seventeen, and for many years was active in newspaper work. He became the first paid Secretary of the Portland Association of Building Owners and Managers in 1916, and retired with a pension in 1936. He was well known to leaders in the industry throughout the country.

CHARLES JOS. SMITH has volunteered his services to the national defense program. He teaches a class of civilians on the legal aspects of the U. S. Coast Guard Auxiliary.

(Advertisement)

PROPOSAL FOR A

HENRY GEORGE COMMITTEE FOR LEGISLATIVE ACTION

* * *

Policy

We favor legislation that requires the collection by taxation of the full annual value (rent) of land and special franchise rights (exclusive of improvements), and the abolition of all other taxes.

We favor any legislation that tends in that direction, whether or not the full objective is sought at the first step.

Toward this end, "A Legislative Framework for the Philosophy of Henry George" has been prepared.

Objectives In the United States

1. Amendment to federal constitution.
2. Federal administrative laws.
3. 48 amendments, one to each state constitution.
4. 48 state administrative laws.
5. Local administrative laws in every community which has local self government in taxation.

Organization

1. A central committee.
2. State branch committees.
3. Local branch committees in all communities which levy and collect taxes.

Each committee shall be locally self governed and no branch committee shall control or be controlled by the central committee or any other branch committee.

Organization of branch committees of two or more persons is requested. The central committee will keep a roster.

State and local committees should engage local counsel to draft state and local laws. Upon request, the central committee and general counsel will aid with advice and criticism.

Reprints of "A Legislative Framework for the Philosophy of Henry George" (which appeared in LAND AND FREEDOM, January-February 1941) may be obtained upon request.

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CENTRAL COMMITTEE

WALTER FAIRCHILD, General Counsel

Address the Central Committee, care of LAND AND FREEDOM
150 Nassau Street, New York, N. Y.