

## The Elder Pulitzer and the Single Tax

IT is reported to LAND AND FREEDOM on excellent authority that the elder Joseph Pulitzer, founder of the *New York World*, said: "I do not care to read anything more about the Single Tax, nor any more of the writings of Henry George. I am almost committed to it." He evidently feared that if too strongly convinced he would be forced by such conviction to make the *World* a Single Tax paper. It is only a matter of conjecture what the effect would have been on the progress of the movement with New York's leading Democratic paper fighting for the cause of Henry George over a period of forty years!

## Is Private Property in Land the Cause of Our Ills?

WE read with special interest Mr. Bell's article in *Commerce and Finance* last week on "Sizing Up the Business Depression." After reciting the various diagnoses of our economic depression, none of which he finds wholly adequate, Mr. Bell ends on a pertinent note of interrogation:

"Out of the distress of 1930 the world has learned that unemployment is a social problem of the very first magnitude, like unto the fabled riddle of the Sphinx, which not to answer was to be destroyed. It must be solved, and solved right, however a false conservatism may oppose. Why this eternal conflict between conservatism and radicalism, anyhow? One demands the preservation of what is good, the other calls for the elimination of what is bad. It is false conservatism that resists, thus arousing a false radicalism that would overturn the whole structure in order to build anew.

"What is the evil principle in our civilization that periodically paralyzes business and deprives millions of men of their natural right to earn a living?"

In speaking of an evil principle in our civilization that deprives millions of men of their natural right to earn a living, Mr. Bell, it is safe to say, is shooting at the ancient institution of private property in land. To reduce to private ownership the natural resources of nature, permitting their utilization only on coming to terms with those whom the law determines to be their owners, is depriving men of a natural right—that is, a right which would exist did not the law take it from them. It is indeed interesting to consider how far the institution of private property in land has been a factor in inducing the economic paralysis that came so terribly upon the world.

If the accepted economic theory of rent be correct, the owners of land and natural resources are able from the normal return to labor and capital secured on the rented land to appropriate as rent the amount by which such re-

turn exceeds the normal return to labor and capital on the best land that can be had for nothing. Of such land there is practically none, so that the share left to labor and capital is what they are willing to accept rather than go out of business, or perish.

It is difficult to translate this formula into terms of actual measured economic factors. In the large cities it would be interesting to measure the actual return received for the use of land in its purely economic sense. Such figures are usually or often available, as the custom prevails of assessing separately land and its improvements. The tribute levied in the form of rent must be enormous.

The question naturally arises of what would in fact be the ultimate destination of this vast component of the return to industrial effort were its diversion in the form of rent intercepted. It seems to us that one element, and a grave one, in the economic depression must have been the overweighted production of certain kinds of commodities, emphasized, where mass production largely prevails, by the difficulty in adapting to other ends the equipment and organization made and developed exclusively for a highly specialized output. In this particular maladjustment the factor of economic rent would not seem to represent a chief component of the returns to manufacturing.

It is somewhat surprising that more attention is not paid to the part played by economic rent in distorting the just apportionment of the returns that should go to labor and capital.

In its broad social and ethical aspects it is hard to justify private property in land. Is the present depression a fresh illustration of its bad working?

—MCCREADY SYKES, in *Commerce and Finance*.

## Cause and Effect

HAS this so-called depression not existed a sufficient length of time to consider its cause, if any?

All sorts of reasons, excuses and palliatives have been advanced, of which overproduction seems to be the most exploited, based on what is conceived as supply and demand.

Strange it does not occur to one seeking for true cause and effect to simplify the matter by realizing that both supply as well as demand are practically unlimited, supply consisting of our earth's resources, the abundance of which we boast and demand as our human needs and desires, consisting of necessities and luxuries. Of course this definition is too simple for our expert economists to contemplate; it implies no statistical elaboration, historical data, or prognostication anent the future, merely contemplates the Here and Now.

We repeatedly boast that we have been beneficently endowed with the greatest natural resources of any country on earth. Admitting this theory, the logical question in sequence is, Who is in possession, and why of this natural