

Auto and Land Values

UNDER the above heading, the N. Y. *Times* of Jan. 9 publishes an article illustrating the enhancement of land values in rural districts through the facilities of travel and transport provided by automobile development.

"The landowners, says the *Times*, in the middle belt of the southern tier of the Southern States, admit that the motor car has been responsible for the enormous advance in the values of their land. What formerly sold for \$3 and \$5 an acre is now fetching \$25 an acre in the remote districts; and small farms adjacent to the villages, situated on the railroads, are selling for as much as \$100 an acre."

Henry George was no mere theorist when he wrote: "The progress of invention constantly tends to give a larger proportion of the produce to the owners of land, and a smaller and smaller proportion to labor and capital."

The same deduction is being made every day by the average man, from just such instances as the N. Y. *Times* above records. But, in some vague way, he imagines that even though he be not among the favored few, yet he will somehow escape the penalty of a lessened return for his toil. He enjoys the fancied security of the cattle on the inside of the herd on the way to market.

In his perception of economic tendencies the average business man is no more alert and lucid than is the average laborer. Both may be excused, for the stress of life is incessant and heavy.

But can the same excuse be allowed for those who, in business, industry, the professions, in the ranks of labor and particularly in the public service, have accepted the role of leaders?

The Churches and The Labor Problem

SOME months ago we referred to the Interchurch World Movement Report on the labor conditions in the steel industry. The issue of the Report (which was an outspoken indictment of the conduct and policy of the Steel Corporation in relation to its employees) coincided in date significantly with the announcement of record Steel's net earnings of over 115 million dollars.

We applauded the honesty and courage of the compilers of that Report. The uneasy conscience of the country has generally viewed the Report in the same light.

But now, in the month of December, appears a solitary clerical defense of the Steel Corporation and an attack on the Interchurch Report. Curiously enough, this defense comes at the very moment when astounding revelations and confessions before the Lockwood Housing Committee exposed the Bethlehem Steel's audacious conspiracy against independent construction firms in New York City and elsewhere throughout the country, who refused to submit to the Steel Company's dictation as to their relations with organized labor.

In this desperate moral emergency, the great Steel Cor-

poration, grasping at any straw to save it from a deluge of public wrath, offered to the Rev. E. Victor Bigelow, the author of the attack on the Interchurch Report, and pastor of the South Church, Andover, Mass., to publish his defense of the Corporation's conduct and policy. The unenvied honor was accepted with enthusiasm, as the following interesting exchange of correspondence shows:

"I have read your splendid address before the Boston Ministers Meeting at Pilgrim Hall, November 22nd ultimo, and have exhibited it to several of my associates, each of whom expressed admiration. We are surprised that you, an entire stranger, should have taken the trouble to present the Interchurch World Report in its true light. We are very appreciative and grateful.

Have you any objection to our having this address printed and widely circulated?

Hoping for an early reply, and with high respect and esteem, I am, very truly yours, E. H. GARY."

"I appreciate more than I can tell you the complimentary remarks which you and your friends have made about my address to the Boston Ministers. You are very kind to offer to have it printed and circulated; because there must be a lot of abler men whom you might easily commandeer to voice the truth that I have tried to express.

Indeed, I am quite nonplussed that no other churchman should have spoken with a bigger voice than mine.

Yes, you may print and circulate the address at your discretion.

Again thanking you for your generous appreciation, I remain, yours sincerely, E. VICTOR BIGELOW."

We do not propose rebutting the Rev. E. Victor Bigelow's arguments for unrestrained privilege. He is blind, apparently, to the menace of organized capital, under the present conditions of monopolized natural resources. Under these conditions, industrial slavery or social anarchy is the inevitable result of uncontrolled combinations of capital.

The New York *Times*, with all the evidence possessed by the Rev. E. Victor Bigelow before it, declares editorially on Dec. 16:

"There is no denying that conditions of labor in the steel industry have constituted a scandal. It is equally evident that action such as that described in the testimony which Mr. Untermeyer has elicited is contrary to public interest."

Against chattel slavery, based as it was on erroneous conceptions of property rights, the conscience of Massachusetts revolted and not so many decades ago; and today, we have no doubt at all as to the voice and urge of her conscience, when faced with the industrial conditions that dishonor our civilization. Our fear is only that, once more, Reason may remain unheeded and Justice deferred, until the only recourse of the wronged and their defenders will be civil and social war.

Only, in this case, the issue is no longer sectional, but involves the very existence of our political institutions and all the promise of material well-being and intellectual and spiritual culture assured under our constitution.

The hopeful import of the Interchurch Report was the fact of its existence. It was evidence that the right and wrong of our social order was an issue boldly accepted by

the clergy, as bound up with the moral order to which they were pledged to dedicate their lives.

But, just as the Interchurch Movement made this gesture of concern for social regeneration based on just relations in industry and commerce, the great organization was suddenly and mysteriously smitten with financial paralysis. We do not, however, believe that the disbanding of the Interchurch Movement means the triumph of the forces that, consciously or not, labor to undermine the foundations of economic and political equality upon which our civilizations rest.

In some other way, we believe, the churches will redeem their trust as the army of righteousness.

Why Do They Do It?

IT would seem that such a body as the Associated General Contractors would view with satisfaction any proposed legislation tending to encourage the building of houses.

For the purpose of discussing remedies for the present acute housing shortage, the National Housing Association held its Eighth Conference at Bridgeport, Conn., on Dec. 9, 10 and 11, 1920.

One of the principal papers at that Conference was by Harold G. Aron, professor of real estate law in the New York Law School, former chief of the Property Bureau of the Housing Division of the Emergency Fleet Corporation and special counsel to the State Commission on Taxation. Prof. Aron made the following statement regarding the housing shortage:

"That can best be met by a modification of the usury laws, a removal of the present income tax discrimination against mortgages, and a limited exemption of new dwellings from taxation. I believe I was the first to advocate this last measure as a constructive remedy for the housing shortage; and as special counsel for the State Commission on Taxation found the Legislature ready and willing to pass it, which they did, and when we cease playing politics with the vitally important ordinance to make the exemption effective in New York City, we shall find a real stimulus to new building.

"I regard the tax exemption privilege as one of the most beneficial and far reaching aids to better housing which we have yet seen."

A Report of Prof. Aron's address appears in the January Bulletin of the Associated General Contractors. It was prepared by Henry S. Pitts, who is described as the "official representative" of the Association at the Conference. But his Report contains not one word in reference to the tax exemption law, which is considered by Prof. Aron as a "real stimulus to new building," and "one of the most beneficial and far-reaching aids to better housing."

Quite obviously, no legitimate interest of the Associated General Contractors, as such, is served by the suppression

of all reference to this important discussion of tax exemption on new building.

What interests, then, are served by this apparent conspiracy of silence?

Why do they do it?

No stranger things have come up for confession and explanation before the Lockwood Housing Commission.

That illegitimate trade methods for profit were resorted to, all the world now knows and understands; but why this shyness about supporting a fiscal procedure that is perfectly legitimate and in accord with public interest as well as honest industry?

Is it possible that interests that benefit by the housing shortage are able to control the policy of the Associated General Contractors?

Economics of A Steel Magnate

ELBERT H. GARY, Chairman of the United States Steel Corporation Board, discusses with faintly veiled satisfaction in the *New York Times* of Jan. 9, 1921, the phenomenon of 2,000,000 idle American workmen.

To him, this ominous phenomenon appears as a welcome return to normal times, with the ranks of organized labor demoralized and broken by desperate competition for a wage below the living margin.

When the late Secretary Franklin Lane offered to our returning soldiers an opportunity of earning a scanty livelihood on allotments in the swamp and cut-over lands—those almost worthless discards of our natural resources—he was careful to make stipulations (cruelly ironical and superfluous under the circumstances) against any rush to freedom that might affect the labor market. Mr. Lane's solicitude about the effect of free access to natural opportunities upon the wage rate in manufacturing centres did credit to his knowledge of fundamental economics. His use of that knowledge, however, showed little respect for the spirit of our Declaration of Independence, which proclaimed for all men the right to "life, liberty and the pursuit of happiness." He preferred to serve the spirit of this profit-mad time. Cheap labor, rather than free men.

Whether Mr. Gary sees as clearly as did Secretary Lane the wage-effect of free access to the country's idle land, we do not know. Not a trace of such perception of elementary economic law appears in his long pronouncement on the grave issues facing both Capital and Labor today.

A workman, with his limited schooling and less chance later, for a broad outlook over the factors affecting his economic condition, must have our compassion and patience. It is less easy, however, to forgive an industrial leader whose very occupation gives him large personal experience with fiscal laws and economic forces. Mr. Gary knows perfectly well that, throughout the length and breadth of this country, natural opportunities, unused, are held locked and barred. Does he, in conscience, consent to a legalized wrong that holds American soil out of its natural productive use by American labor?