

"I am not unaware," he says, "of human needs and human feelings, but I am trying abstractly to explain a situation that exists." The effort does not seem to have been a strenuous one, certainly not an intelligent one. To discuss the labor question in America without reference to American land is as conspicuously fatuous as to discuss astronomy without reference to the sun.

Fiddling by industrial monarchs in these dangerous times is a foolish and may-be fatal performance.

"The civilized world," said a great American seer, "is trembling on the verge of a great movement. Either it must be a leap upward, which will open the way to advances yet undreamed of, or it must be a plunge downward, which will carry us back to barbarism."

This is no time for economic trifling. It is a time for courageously facing the truth. For only in the truth can there be found salvation.

Coal Operators versus Coal Royalties

THE following extracts from the *Evening World* of Dec. 9 indicate interesting educational progress in economics. Some, at least, of the country's big producing organizations are evidently beginning to understand rudimentary economic and grasp fundamental distinctions, hitherto overlooked or disregarded.

The coal operators, for instance, refuse any longer to be confounded with the coal land owner who, as such (they now perceive) is in no sense a producer, but simply a toll-collector. As the knowledge of this elementary distinction between the economic functions of land-using and land-owning progresses amongst the leaders of real productive enterprises (and we include among these the leaders of organized labor), definite action for a re-adjustment of fiscal obligations toward the nation, State and municipality is bound to follow.

It is really amazing that otherwise intelligent men have been so slow in seeing the absurdity and iniquity of penalizing by taxation the use of land, while favoring with tax immunity the non-use of land. Surely the time has come when ownership of American soil shall involve obligations as to its adequate and rightful use.

The extract from the *Evening World* reads as follows:

POTTSVILLE, PA., Dec. 9.—None of the four investigations in progress on the anthracite coal monopoly today furnished evidence half as startling as that of the trust's own declaration made here by its Bureau of Information, to the effect that "the Girard estate is getting on royalties an average of 20 per cent. of the mine price of coal, all sizes, from its tenants." The actual percentages in the leases from the estate to tenants vary, but does not fall under the 20 per cent.

It is little wonder that former Judge James Gay Gordon of Philadelphia, who recently investigated the Girard estate, should say: "The leases of the coal lands have proved very profitable to the estate."

The Coal Trust now says it is ready to prove that while some coal companies during the period of war regulation lost \$731,352, the Girard estate was making out of these same companies the handsome profit of \$2,051,933 on royalties.

"We had long suspected that a part of the extremely high cost of anthracite had its cause in the enormously high royalties exacted by land owners," declared officers of the Anthracite Consumers' League today, "but we did not know the figures ran quite so high as those vouched for by the Coal Trust, which are official."

"There should be no time lost in forcing an end to this extortion of the people. There should be a reduction of fully 70 per cent. in royalties. An investigation of the Girard estate has been proposed, but the eminent respectables who compose the Board of Managers at Philadelphia have always been able to quash all such movements in the Legislature of Pennsylvania.

"Such an investigation should be started at once by United States Senators Calder and Edge. It is possible by legislation in Congress to at once stop this extortion. No coal mined under extortionate royalties should be permitted to be transported in interstate commerce. Such a bill would bring the Girard estate and all other extortionate land owners to reason at once."

We venture to recommend the officers of both the Coal Trust and the Anthracite Consumers' League to make themselves acquainted with the Federal Land Tax of Australia, and then get behind a move for similar legislation here. It is a much more practicable proposition than the interstate device suggested above, which is purely negative in its effects. The Federal Land Tax, with State legislation on the same lines, would both check royalty abuses and develop unused properties, to the advantage of consumers and operators alike.

Dodging The Land Tax

MR. E. J. SHRIVER, of this city, having written a letter to the Secretary of the Treasury regarding the latter's recent statement before the Senate Finance Committee, in which he advocated all sorts of new taxes and neglected to make any reference to the Ralston-Nolan bill as a source of revenue, the Secretary replied as follows:

"I have your letter of Dec. 27 and have noted the expression of your views on the land tax. I have had no intimation that Congress will take up a measure of this sort. I imagine aside from other difficulties, the constitutional objection to which you refer would be a controlling one."

The framers of the Ralston-Nolan bill have tried to overcome this constitutional objection. But as Mr. Dooley reminds us the Supreme Court follows the election returns. If a sufficient support is given to the bill the Court may find reasons to decide it constitutional. Considering that this bill has been widely discussed over the whole country, it seems not a little strange that the Secretary has not heard of it, though it may be that he has confidential advices that it will not be taken up for consideration.