

Edward A. Ross, Ph.D., of the University of Chicago, lectured in Indianapolis in February on "The Problem of Taxation." We quote:

"I will now attempt to say something of Henry George's idea of the single tax. That idea is simply one of a pure land tax. It holds that all other kinds of taxation are not desirable for economic reasons. Single taxers declare that there is a steady increase in the value of land which they term 'unearned increment.' That 'unearned increment' they believe should go to the State instead of the individual. I think the single taxers deserve credit because they would tax the land of speculators as well as other kinds of land. At present land held for the purposes of speculation is in many cases either not taxed at all or else assessed for a twentieth of its real value. On the other hand, in Chicago, for instance, the small householder pays taxes on an assessment of about sixteen per cent. of the value of his property. The magnificent residences on the fashionable streets are assessed, the figures show, for about nine per cent. of their real value. There is injustice in that.

"There is one thing that causes me to look with disfavor on the single tax theory. That is, the policy of the government in furnishing homesteads to settlers for a nominal sum. Such a tax applied to these homesteads would hardly be fair. The settler on a homestead derives from his real labor a very small return. He takes the land, holds and tills it in the hope of its value being increased by the natural course of time. It is the only result that will place him on an equality with the eastern mechanic or farmer."

In discussing the subject of rents Professor Ross said that statistics show that city rents are decreasing instead of, as has been popularly supposed, increasing. Trolley lines, the bicycle, and other mechanical devices have given the city man a chance to rent cheaply in the suburbs and out of the city, and the consequence has been a falling off in the average of rents. "The improvements in the art of transportation have resulted in a gradual whittling away of rents."

Professor Ross is confusing the interests of homesteaders with those of speculators. The mechanic or farmer does not live from profits derived from land values, but from what he receives for the products of his labor. The gradual whittling away of rents has escaped observation hitherto, and it would be interesting to know the grounds upon which such conclusion is based. The effect of trolley lines is simply to distribute land values, not to reduce them. Rents are increased in one section and diminished in another. Here and there individuals benefit; but land speculation following the lines of the trolleys nullifies most of the gain to the producer and small home renter. The average rentals are reduced, it is true, but there is no "whittling away of rents." The total remains the same, or is increased. If the Professor had used his powers of observation a little more, he would have been able to show his hearers how trolley lines in cities tend to give value to the lands of the suburbs, and thus add to the total what may be subtracted from the centre. In New York City there has been an increase in the value of the lands of the suburbs due to such facilities, and no decrease at all in any other part of the city; on the contrary, there has been a steady increase, which is still going on.

The *Mobile Register* of recent date says: "The Mississippi Legislature is asked to submit an amendment to the constitution authorizing county officials to levy a special tax, the proceeds to be invested in cotton manufacturing in the county. It is a visionary idea that the Legislature will do well to reject."

But why? To tax everybody for the benefit of everybody has been the custom of the county for some time past. To do on a small scale what is being done on a large cannot be a mistaken public policy. Why should not Mississippi levy such a tax? The State is being "flooded" with the cottons of other