

Henry George System Viewed as Remedy for the Farmer's Troubles.

By Henry Ware Allen / Wichita, Kansas, 17 March, 1934 (print date: 22 March, 1934)

To the Editor of The New York Times:

According to the 1933 Year Book of the Agricultural Department, there are mortgages on American farms amounting to \$9,241,390,000. The amount actually lent on farms operated by the owners is given by the World Almanac as \$4,080,176,438, which indicated clearly that already more than 50 per cent of American farms are operated by tenants.

But the most important fact is the enormously inflated values of farm prices which these figures indicate. It will be readily seen that the annual payment for interest on these loans amounts in itself to a tax burden on farm owners which has become unbearable. One result of this burden is the rapidly growing: percentage of farm tenants taking the place, like the peasantry of Europe, of the old independent and prosperous American farmer.

In the early days here in Kansas there were no loans on farms, for the very good reason that the farms themselves were so inexpensive that only a nominal payment was required to secure a quarter-section of good farming land. But as desirable agricultural land is now limited in quantity, and has been further limited by the power of land monopoly, the selling price of land has mounted rapidly and to a degree which was largely responsible in precipitating the industrial depression.

Is it not fair to assume that the result of taking economic rent for governmental purposes by a single tax upon land values would have prevented this inflated price of land and consequently made impossible the monstrous burden of farm loans as an artificial and unnecessary expense of our basic industry? Instead of a young farmer having to pay from \$10,000 to \$40,000 for a good farm, he would be able under the proposed system of taxation to purchase a desired farm for a nominal figure above the cost of improvements, thereby enabling him to avoid the enormous expense to which he is now put.

Of course, the same reasoning applies to land values everywhere and would permit a

man, when building for himself a home, to secure a suitable building lot at a mere fraction of the monopoly prices which now prevail. This advantage is actually enjoyed in the city of New Westminster, B. C., a city of 10,000 inhabitants, where the single tax prevails.