

efforts. Labor's support of No. 20 (our proposition) was materially weakened when No. 1 (anti-picketing) went on the ballot.

Had the campaign taken place in 1936 as originally expected, the result might well have been decidedly different, for then the sales tax was at the height of its unpopularity and the opposition had not organized its mendacious campaign.

The people were fooled most completely and induced to believe impossible and contradictory things. Among these were the statement that the amendment was supported by a Fels Fund of \$12,000,000 devoted to the work of putting over speedily the Single Tax in California; that to take taxes off industry as proposed meant its destruction; that the measure would deprive the people of their property; that taxes on "real estate" would become so high that rents would have to be pushed to impossible figures and that this could be done; that no one would be able to afford to put up houses; and, conversely, that so many houses would be quickly erected that there would no longer be work for those employed in the building trades; that travelers entering the State for a brief stay would pay no tax if the sales tax were abolished; that the schools would be closed, since, as alleged, only the sales tax kept them open; that all the operations of the State government would be brought to an end because of insufficient revenue; that the system had never been tried and that probable effects were unknown, or that the system had been a failure wherever tried; and finally, that since the State would be the only landlord, communism and socialism would result.

The opposition spent hundreds of thousands of dollars in a bombardment by radio, billboards, newspapers, handbills and the mails. Our expenditures were less than one per cent as much. It is quite understandable that the voters became confused. The result could hardly have been otherwise, but even so there were hundreds of thousands of votes cast for the proposition. This is vastly more than ever before have been recorded for a proposition to transfer taxation from industry to land values.

Doubtless errors were made in carrying out the campaign. Humanly speaking it could not have been otherwise. A few of California's professed believers failed when the contest was on. However, these things counted for little in the final result.

Was the contest worth while? To discuss this would call for more space than you can afford. My belief is that it was worth all it cost. It is apparent that the removal of taxes to land values is not to be obtained at a single stroke. Each temporary set-back should spur us to careful study for the next step rather than to discouragement. We must, like the fabled Anteus, derive strength from each fall to the Mother Earth. Let us not forget that the defeats of Bunker Hill and Long Island helped to bring about Yorktown.

It is my deliberate judgment, taking present considerations all in mind, that the best field for the nearest approach to the freedom of opportunity we were taught to seek by Henry George is offered still by the State of California where "Progress and Poverty" first saw the light. It is yet too early to discuss further particular methods to this end, but the idea of fight has thoroughly entered the souls of our real workers. Probably the next form of attack will be along quite different lines. Meanwhile the holders of special privilege, despite recent results, feel nervous over the future.

Those of us who were actively in the fight desire to give thanks to our friends and well-wishers throughout this and other countries for their money and sympathy. The spirit back of their actions cheered us greatly.—JACKSON H. RALSTON.

THE MOVEMENT IN NEW JERSEY

EDITOR LAND AND FREEDOM:

As you have the attention and the confidence of those desiring adoption of the principles presented by Henry George; and, as I believe they could and would help materially in the efforts of our league to establish those principles in New Jersey, if they knew our plan and what it would do, I believe this letter will interest you.

You probably remember the wide-spread attention and acclaim that followed enactment of the famous Pittsburgh Graded Tax Plan; the many inquiries that were received from many cities and foreign countries; and Frederick C. Howe's statement to the effect that "It was the greatest single step toward Single Tax that had ever been made by any American city."

And you also know it was a very small step and was made when the World War started; that the subsequent inflation, speculation and confusion completely obscured its benefits. But you probably know that it has attracted much attention; that it serves as an example for other cities; and that it has accomplished considerable good by transferring about \$2,800,000 per year in taxes from buildings to land value.

The following comparison in taxes on homes in Pittsburgh and Newark, N. J., definitely shows one most important advantage in the plan, and I may add that it is a practical point that interests home-owners, tenants and business men.

In Newark, N. J., a small home assessed:

| | | | |
|---------------|----------------|---------------------|-----------------|
| Building..... | \$5,000 | (tax rate per \$100 | Is Taxed |
| Site..... | 1,000 | valuation, \$4.61) | |
| | <u>\$6,000</u> | | <u>\$276.60</u> |

In Pittsburgh, Penna., a similar home assessed:

| | | | |
|---------------|----------------|----------------------|-----------------|
| Building..... | \$5,000 | (\$3 per \$100)..... | \$150.00 |
| Site..... | 1,000 | (\$4 per \$100)..... | 40.00 |
| | <u>\$6,000</u> | | <u>\$190.00</u> |

Showing a net saving of \$86.60—enough to buy three suits of clothes and three pairs of shoes.

And it should be considered that Pittsburgh is about 50 per cent larger than Newark and does not tax personal property; also that this result has been achieved despite the fact that the Graded Tax Plan does not apply to school and county taxes—which are about half of the total taxes on real estate.

The two tax rates shown for Pittsburgh are the combined city, school and county taxes; and the difference in the rates is due to the reduction in the city tax rate on buildings, and increase in tax rate on land, as provided in the Graded Tax Act.

As you probably know the plan proposed in our bill for New Jersey is very different and far more effective and beneficial than the Pittsburgh law. Our bill provides that any municipality in New Jersey may adopt, by local referendum, the following plan:

(1) To gradually reduce the present taxes on buildings and personal property by five annual stages of one-fifth of such taxes each year until entirely exempt from local taxation.

(2) To provide the required public revenue by simultaneously increasing the tax rate on all taxable land value in such communities as adopt the plan.

As an illustration of the effects of this law, if it is enacted as the bill is drawn, and the City of Newark adopts the plan, the taxes on buildings and personal property would be materially reduced, and the tax on land materially increased even the first year. And many would build and many land-holders would become more reasonable from anticipation of what will happen.

Moreover, after the fifth year all buildings and personalty in the city would be entirely exempt from local taxation, and the tax rate on present valuation of land would be about *nine dollars per hundred*—which I believe would be enough to replace most of the obsolete buildings, greatly encourage construction of homes and other improvements, and *absolutely stop land speculation* for future profits.

Now, if it would do all that, can't you agree that this would be a *very real and very long* step in the desired direction? Also isn't it likely that such results, in even one city, would prove a practical demonstration that would promptly induce many other communities to adopt the same plan?

In fact, if this could be done in New Jersey isn't it probable that

this law would have tremendous publicity throughout the United States and possibly other countries?

And, if this is possible, would it not be decidedly advisable for every Single Taxer to do every thing in his or her power to aid in obtaining the proposed legislation?

Newark, N. J.

L. R. BONTA.

QUEER ECONOMICS IN THE HIGH SCHOOLS OF NEW YORK

EDITOR LAND AND FREEDOM:

What we poor benighted mortals need to get us out of the depression and set us upon the road to recovery and reform is a Planned Economy to be effected by:

(1) A National Planning Board—composed of statisticians, economists, employers, employees (nominated by unions), government agents, consumers' representatives, to plan for industrial expansion on the basis of consumption needs and industrial capacity, and to coordinate all other boards and to decide upon production quotas for each industry. Members to be nominated by the President and ratified by the Senate. Twenty-five to thirty members.

(2) Regional Planning Boards—subordinate to the National Planning Board and similarly composed, to administer the plans of the National Board and to allot to each business enterprise within the region its production quota, and to regulate wages and hours so that purchasing power dovetails with volume of goods produced. Members to be nominated by the President and ratified by the Senate.

(3) A tax to be levied upon all business enterprises to ensure compliance with the national plan.

(4) The stagger system to be applied. Members of the planning boards to be in office for a four-year period. Plans to be submitted to the Congress for enactment.

Perhaps you do not approve of the above. You may have no faith in statisticians who are able to make figures prove anything that they wish to prove. Or you may wonder where the economists were when we were working up to the great disintegration of 1929, or why they are to be consulted now on how to get us out of our mess when they proved so incapable of preventing our descent nine years ago. You may ask how, short of a miracle, any one can foretell what our consumption needs will be in order to plan for providing the future feet with shoes, lips with lipstick, stomachs with food, etc. And since statisticians, economists, both false and real, employers and employees, whether union or non-union, are all consumers, you may be puzzled as to how consumers' representatives will function on boards with consumers. You may have misgivings as to how production quotas will work for the good of the people at large when some of the production quotas tried to date have not benefited the people who have never been able to have sufficient amounts of the products curtailed by the quotas. When millions of children have no milk and few potatoes, and dress in rags during periods of so-called overproduction of potatoes, milk, and cotton, will they have these things when less of them are produced?

You may even be so perverse as to inquire how regulation of hours and wages will enable an employer to pay more wages to employees who work less, or to pay the same wages to each of a greatly enlarged force of employees, each working less hours than formerly. And naturally you will want to know how an employec who could hardly get a decent living under the old wages at full time will get along now on reduced time. For of course no one will be able to see how employers can pay more wages for less work unless more is produced and when wages and hours are spread over a greater number of workers how can the demand for goods or services be expected to increase? In fact how can it be expected to remain even as it was?

And then you may have your doubts about the efficiency of any system depending upon a National Planning Board and a Regional Planning Board for each region when we have a vivid example of how such a system works out in the case of our National Legislature and our State Legislatures. How can sectionalism be kept out?

Finally you may suspect any system which depends upon a tax to make it work. You may have the old fashioned idea that taxes are not levied primarily for punitive purposes nor to compel compliance with objectionable provisions of law, but are a poor source of revenue for carrying out necessary social services, not levied according to justice but according to ability to pay. You may think of money paid for punitive reasons as fines and money exacted for assurance of compliance with a statute as tribute. Surely in either case there is no evidence of value for value received.

If you have any of the doubts expressed above you are out of tune with democracy as carried out through the economics department of the High Schools of New York City. They are part of an "economic programme for recovery and reform" drawn up by the students in the economics classes of Mr. Louis Walinsky of Abraham Lincoln High School, and submitted to Mr. Philip F. La Follette, Governor of Wisconsin, as a programme for his new party to adopt. Mr. Walinsky gives credit to the Mordecai Ezekial plan for industrial expansion for the suggestions made above.

The programme goes on to take in agriculture with cooperatives to be encouraged, more Regional Planning Boards, reduction of over-produced *cash crops* (cotton, cereals), more production of green vegetables and dairy products, and right here one truth is told; there is really a shortage of these products based upon consumption need, although the agitation to tax Canadian milk was based upon a supposed oversupply. Housing is taken up in a plan to spend two billion dollars a year toward low-cost housing which will neither be low-cost to the taxpayers nor will it aid recovery since houses can not be built in the air but must rest on land and before houses can be built the privilege of building them must be obtained by payment of extortion money to those who give no service in return.

Under labor the idea is advanced that government should sponsor education for all in respect to the need for labor organization and thus passive acceptance of the idea that there will always be a struggle among men for the opportunity to labor is betrayed. That no labor organization can do more than raise wages and better conditions of its adherents for a time, because the rising costs of living will overtake and pass the benefits received from collective bargaining, and that the conditions of living can not be improved for an entire people as long as there are more men than opportunities to work, seems never to have occurred to the promoters of this brand of economics, and yet that such will be the case is inevitable, the result of a natural law that men seek to gratify their desires by the least exertion. This law is more fixed than the laws of the Medes and Persians, but no mention of its existence is made in the economics courses. Following in line with the fallacious reasoning that accepts labor organization as contributing to the welfare of an entire people we find the programme outlawing company unions, and trying to outlaw anti-union methods such as strikebreakers, blacklists, and the use of spies. Strict punishment under Federal jurisdiction is proposed but we look in vain for curbing of picketing that ignores the rights of citizens to walk their own streets without danger to their ear drums. Social Security is adopted and extended to all workers without considering that the only successful social security can be obtained by permitting justice and liberty full sway and the abandonment of privilege. The stupid plan of trying to legislate a maximum hour law of forty hours is proposed although no known plan of enforcing such a law has ever been successful and can not be when men need work. Self interest can not be legislated out of existence by laws that take upon themselves the complexion of totalitarian statutes and it should not be, for it is because of self interest, of man himself as well as his immediate family, that the world progresses. Submerge that self-interest in the interest of the state or of the race, and ambition and energy will peter out, the civilization will become static and what was hoped for will never be obtained. Child labor is included with a provision for a dole to permit study in high school and college, the taxpayers able to pay taxes providing the dole.

So the programme continues through banking, railroads, public