

or communists. What do their crazy theories matter? The only dreadful fact that is obvious enough is that men are hungry and that they will revolt and fight to satisfy their hunger. They are divorced from the land and that is the sole reason they are hungry. They have no place to work and land is a place to work.

LOOK where we will the conflict is the same. Paraguay is fighting to secure the petroleum fields of Bolivia. The Chaco war is a fight for land—oil fields are land. Not that it really matters to the native Paraguayan worker who owns the petroleum fields—he never will. And that is one of the mysteries of the matter explainable only by the unfathomable ignorance of man. Paraguayans and Bolivians hate each other, kill each other, over land they will never have any right to own. If they were going to get the land for themselves there would be some sense in it. But whoever owns the oil-fields, Paraguayans and Bolivians will work for the owners as miserable slaves, as they always did.

THE Ukraine is a great wheat country and produces more iron and coal than all of France. Germany has long cast envious eyes upon it. Hitler's book, *Mein Kampf*, hints at the seizure of the Ukraine. Germany would gladly go to war to secure it. Land again as the urge to war. Italian imperialism rushes more and definitely into Ethiopia where there are vast natural resources.

IT is always land or tariffs that are the cause of war. It is news that has not yet got into the news that West Australia is anxious to secede from the Australian Commonwealth because of the high tariff taxation of the Canberra Government. It is even hinted that West Australia with half a million people is willing to take up arms to enforce its demand if it should be refused. King George and the British Parliament have been petitioned for permission to secede. If the petition is not granted a peaceful withdrawal is to be put to a referendum of the people of West Australia. Either the tariff must be abolished or greatly lowered. In the *San Francisco News* its correspondent Sam Ewing has interviewed one of the leading business men of Perth, West Australia, who said: "I do not mean to predict in advance what the vote will be. But it is a matter of life and death with us. My state is agricultural. It sells products in the world market. The eastern Australian states have the power to enforce a high protective tariff for the protection of their infant industries. The tax is too much of a burden on our farming community." This presents a very interesting situation. And it can easily lead to civil war. Again let it be said, and it cannot be said too often, that the two causes of war—one a primary and the other a secondary cause—are the private ownership of natural resources and hostile tariffs.

WILLIAM ALLEN WHITE at a meeting at Fraunces' Tavern in this city on April 17 is reported to have said: "Under the machine age there will be a certain economic wastage; we must take care of that wastage, not only in giving them food, shelter and clothing, but some part and parcel in our life." Who are the "we" referred to and the "our" whose duty it seems to be to take care of this human wastage, is left to conjecture. It sounds like a piece of impudence, but it is not really so; it is quite unconscious. And this is the utterance of one who is regarded as a "liberal" leader of the Republican party and shows how little we can hope from the accredited spokesmen of the G. O. P. But what do those who comprise this "human wastage" think of it? Mr. White is quite as confused and hopeless as the leaders of the party he is opposing. What becomes of the doctrine of rugged individualism if it is inevitable that any part of the population can be characterized as "human wastage?" Can it be that this includes the workers who produce the wealth of the world?

How Vital is the Singleness of the Single Tax

REPLY TO WALTER FAIRCHILD

By HAROLD S. BUTTENHEIM

MUST an advocate of land-value taxation as the major source of local governmental revenues, if endowed with a rational mind, believe literally in the Single Tax as the sole desirable source of all governmental revenues, National, State and local? This question is suggested by Walter Fairchild's courteous and critical discussion, in the March-April issue of *LAND AND FREEDOM*, of my article, "If Henry George Were Writing Today," which had appeared in the February number of *The Journal of Land and Public Utility Economics*.

Mr. Fairchild assumes, apparently, the inerrancy of Henry George; and he argues, in effect, that a more careful reading of "Progress and Poverty" would result in my acceptance of the verbal inspiration of every statement therein and of his deductions therefrom.

From this assumption I must respectfully dissent. In repeated utterances, in print and over the radio, I am on record as recognizing the essential justice and desirability of the collection for public purposes of the community-created economic rent of land. But I do not believe it essential to the purity—or perhaps I should say productivity—of that method of taxation that it renounce all of its former fiscal associates and become a *single* tax. Here was what I said in the concluding paragraph of my radio talk of April 20, 1935, on "The Socialization of Ground Rent:"

"It is not the *single* tax that I am advocating, for my creed is that of a triple-taxer—not a Single-Taxer. I favor properly graded income and inheritance taxes for National

and State revenues, and am emphatically opposed to general sales taxes and other repressive levies. I do not believe that *all* community expenditures are reflected in increased land values; nor do I believe that *all* privilege and exploitation would be abolished by the socialization of ground rent. But I do believe that privilege for the few and prosperity for the many are mutually exclusive terms; and I want to see a demonstration in the United States of our ability to build a depression-proof civilization free from the evils both of fascism and of communism. To such a civilization I know of no economic readjustment which would give greater impetus than the abolition of that major form of privilege which would disappear with the socialization of ground rent."

With this expression of faith, it may now be in order to discuss two or three of the points raised in Mr. Fairchild's article, as indicating why I cannot go the whole distance with the 100 per cent followers of Henry George.

Simon-pure Single Taxers embrace fervently the *benefits-received* theory of taxation, and reject with disdain the *ability-to-pay* theory. But are they wholly consistent? Do they not ignore the fact that ability to pay has often resulted in large part from benefits—financial, physical or mental—previously received from society or by inheritance? and that for such benefits the recipient may deserve no more credit than for benefits derived from land ownership? There is, I believe, both ethical and economic justification for a system of taxation based *in part* on the principle that the strong or the clever or the lucky should bear the burden of the weak or the stupid or the luckless. In other words, ability to pay may properly be coordinated with benefits received in a scientific system of promoting the public welfare in the raising of public revenues.

To what extent is governmental spending reflected in ground rents? This is one of the most important questions raised by Mr. Fairchild. He expresses agreement with my contention that public expenditures must be *wisely* made in order to increase land values; but he goes so far as to state categorically that economic rent cannot be less than the total of all public budgets properly spent. Even if this last statement were susceptible of proof, it would still leave up in the air the tremendous sums that are unwisely or improperly spent—whether on wars or graft, or in planless building or well-intentioned blundering. Who can say that all such expenditures are reflected in ground rents or that they ought to be paid for wholly by land-value taxation? Or why should any one assume that if the Single Tax were the law of the land, waste and dishonesty and foolishness in public spending would disappear? Certainly not Mr. Fairchild or Henry George, for the former quotes the latter as ascribing no "magic" to the Single Tax and as expressly teaching that "it is not a panacea for all the economic ills of humanity."

Another important statement in my article in *The Journal of Land and Public Utility Economics* which Mr.

Fairchild challenges, is that "urban areas show more of their total valuation in improvements than do the rural areas." "We think the contrary is true," says Mr. Fairchild. "Figures on rural site values in relation to improvements," Mr. Fairchild points out, "are largely lacking." But such figures as exist do not appear to support his criticism of my contention. In November, 1934, the Tax Policy League published a bulletin on "Assessing Land and Improvements." The sources of data were the latest available reports of State tax officials—in most cases covering the year 1933 or 1932. From this study it appears that twenty-seven States published figures on land and improvement values. In sixteen of these States (Arizona, California, Colorado, Idaho, Illinois, Kansas, Louisiana, Minnesota, Montana, Ohio, Oklahoma, Oregon, South Dakota, Virginia, Washington and Wisconsin) separate figures are given for rural and urban areas. It was found that, without exception, improvements constituted a larger proportion of total real estate values in urban than in rural areas. The value of improvements in urban areas ranged from 44.2 to 70.5 per cent of total urban real estate.

Conversely, land values in urban areas ranged from 29.5 to 55.8 per cent of the total values. In rural areas improvements ranged from 9.5 to 38 per cent of the total, while in rural areas they ranged from 62 to 90.5 per cent of the total.

PROPORTION OF ASSESSED VALUATIONS FOR LAND AND IMPROVEMENTS

	URBAN		RURAL	
	Land	Improvements	Land	Improvements
Arizona	36.3%	63.7%	(Irrigated) 80.2%	19.8%
			(Dry) 84.9	15.1
California	55.8	44.2	75.7	24.3
Colorado	35.4	64.6	79.9	20.1
Idaho (Business)	40.3			
(Residence)	33.6	66.4	90.5	9.5
Illinois	47.6	52.4	82.4	17.6
Kansas	33.5	66.5	89.7	11.3
(Suburban)	38.7	61.3		
Louisiana	33.9	66.1	79.6	20.4
Minnesota	33.3	66.7	79.4	20.6
Montana	29.5	70.5	87.0	13.0
Ohio	35.7	64.5	62.0	38.0
Oklahoma	36.3	63.7	88.6	11.4
Oregon	54.0	46.0	88.3	11.7
South Dakota	31.6	68.4	90.3	9.7
Virginia	42.5	57.5	62.2	37.8
Washington	44.7	55.3	69.9	30.1
Wisconsin	33.1	66.9	69.5	30.5

Mr. Fairchild urges me to re-read "Book II of 'Progress and Poverty,' where the subject of increasing and decreasing population is worked out by Henry George." He says that I have failed to observe, as George did, that . . . "there may be an increase in land values even though population remains fixed or even recedes." May I reciprocate by urging Mr. Fairchild to re-read a sentence on page 421 of "Progress and Poverty:" "With

every increase of population the value of land rises; with every decrease it falls." This statement by Henry George does not prove that his other statement is unsound; but it does at least show—as might be shown by many other quotations—that the Prophet of San Francisco, like other great leaders, was not always and wholly consistent.

One need not insist on the verbal inspiration of "Progress and Poverty" to believe, as I do, that it is one of the noblest of books ever written. Nor need the Single Taxers fear that the fundamental thesis of their great leader will be weakened by constructive attempts to re-study and re-state it for the world of 1935.

Wanted:

One Thousand Teachers

SCHWARTZ, a Minneapolis lawyer, said to me after he had completed his first class in "Progress and Poverty:" "In ten weeks I made fifteen Single Taxers. That is more than I made in the twenty years I have been talking Single Tax." His second class, recruited mainly by "graduates," has an enrollment of twenty-five.

Other teachers of Extension Courses with whom I have come in contact report the same result. The teaching of "Progress and Poverty" according to the Teacher's Manual published by the Henry George School of Social Science is the most effective and quickest method of making converts to the Single Tax cause.

Let us consider the other tried methods of making Single Taxers. That these methods have been found wanting is manifest by the smallness of our numbers, by the public rejection of our point of view as indicated by increased taxes on labor products and reduced taxes on land values, by the definite and outspoken programmes of governments to further safeguard the privileges of landlords. These methods consist of two kinds: making speeches and distributing literature. The speeches are ineffective, as far as making converts is concerned, not because of lack of oratorical ability, but because such audiences as are available primarily seek entertainment. Serious education is very far from the minds of lunch clubs when they listen to a speaker; street corner crowds are notorious for their heckling proclivities; church groups class speakers with bridge tournaments as a diversion. I have tried talking economics to all kinds of audiences. After losing a few audiences I learned that the way to hold them was to tell stories, hoping that these stories might carry home some significant fact of economics. Because I entertained my audiences I held them. But, did I make Single Taxers?

It must be remembered that we are not only trying to uproot the greatest and most strongly entrenched vested interest of all times, but that in attempting to do this we must destroy ideas so deeply imbedded in the

minds of men, so bulwarked by law, so thoroughly accepted as right and necessary through centuries of practice and precedent, that the fragmentary character of a short speech is quite apt to create in the minds of the audience a doubt as to the sanity of a Single Tax speaker. When we speak of wealth as only the product of labor and land, and deny that land, bonds, mortgages and even money are wealth, we are asking people to believe something as foreign from their experience and thinking as that two and two are five. To tell a worker that a tax on land values will create jobs, where for a hundred years he has been convinced that only the wickedness of a "boss" prevents his going to work, is to request him to re-orientate his entire thinking processes; that cannot be done successfully in an hour's talk.

The only possible beneficial effect of a speech on Single Tax is to arouse curiosity in the minds of some of the more thoughtful in our audiences, hoping that such curiosity will result in their study of the subject. No doubt many who have read "Progress and Poverty" and have become followers of Henry George were first interested in the subject by some speaker. But that this result must of necessity be very spasmodic, uncertain and rare is quite evident.

The distribution of literature (which includes letter-writing to the Vox Populi columns of newspapers) would be valuable propaganda if the literature were always read. I venture to say, and my estimate is the result of my own experience and the opinions of others, that not one-tenth of the literature we Single Taxers have distributed was ever read. It is evident, also, that only the briefest and simplest pamphlets are read; so that the distribution of literature becomes, like speaking, a haphazard searching for a few thoughtful minds who will be stimulated to further investigation.

Both public speaking and the distribution of literature are of necessity uncertain in their effect and nebulous in results. If we could have a hundred speakers making daily talks all over the country, and could unload ten million pamphlets on the public in a year, it is quite likely that a sufficiently large number of susceptible minds could be reached, so that in a comparatively short time our numbers would be considerably augmented. Obviously, this is a physical and financial impossibility.

The object of a speaking or literature campaign is to interest people in a study of our philosophy. More specifically, we would like to have a wider knowledge and understanding of "Progress and Poverty." Now, the class method is much more direct, concise, certain, and the results are immediately known. Take a group of fifteen students through the book in ten weekly lessons and you are almost sure of fifteen Single Taxers. I do now wish to depreciate the value of Single Tax talks, or of distributing literature. I rather think these talks and the literature should be used as a means of advertising classes. Experience has shown that as between the