

THE LAND VALUE TAX.

PORTION OF AN ADDRESS DELIVERED AT
KANSAS CITY, MO., BEFORE THE REAL
ESTATE BOARD BY A. A. WHIPPLE OF THE
WHIPPLE MCMILLAN REALTY CO.

Land speculation has absorbed, and is still absorbing, our available capital to such an extent that it is almost impossible to secure any capital for the most worthy and promising manufacturing enterprise.

Within the past two years, nearly seven million dollars have been paid for property along the Belt Line, and with the exception of that received by factories, which were by it displaced, as far as I know, not one dollar has been invested in any kind of a manufacturing enterprise. Can you imagine what the effect would have been if this seven million dollars had been devoted to manufacturing?

Those of you who were here at the time the Kingan Packing Co., Schwarzschild & Sulsberger and Swift & Co., established their packing plants here know what then happened. A great growth of the city then began.

Taxes are now assessed upon Adam Smith's visionary theory of "payment in proportion to ability to pay." This is as though you were to be charged \$50 for a suit of clothes worth but \$25, because you were able to pay \$50 for it and they talk about it being done upon an equal basis in proportion to wealth. What is the effect? Taxes are laid on land, on improvements, on all kinds of personal property, upon the capital of the banks, on the stocks of merchants, on the raw material and the finished product of manufacturers. Various and sundry licenses are charged; the farmer and the market gardener are held up for bringing farm and garden products to town, and the huckster must contribute to the city's revenue before he can peddle "oranges and bananas" upon the street.

What is the result? Although the law explicitly provides that land, improvements, and personal property, shall be assessed at their full value, land is assessed at about 25 per cent., improvements at about 40 per cent. and personal property, when truthfully returned, at 100 per cent.,

but generally at from nothing up to 20 per cent. If our real estate notes were assessed according to law they would pay a tax of 2.95 per cent; which means that a six per cent. mortgage would then yield less than a government bond. Our banks, instead of contributing \$187,000 would contribute some \$550,000 to \$600,000. This is the only civilized country in the world which imposes a tax upon personal property.

A personal property tax is bad, very bad. First, because it leads to perjury and fraud; secondly, because it rests principally upon consumption; thirdly, because, like a rolling snowball, it increases in size as it passes from manufacturer and from dealer to dealer, each adding his profit until unloaded upon the consumer, who is oblivious to the amount he pays. For instance, when you buy a pair of shoes you unconsciously return to the retailer in one big amount the personal taxes previously paid upon them by the farmer, the packer, the tanner, the manufacturer, the jobber and the retailer, plus a little profit to each. Nearly everything you and your family wear and eat pays a multiple tax in the same manner. Is it any wonder that the cost of living is high?

A SUGGESTION FOR THE SOCIAL SERVICE COMMISSION.

"Back to the land" has been the remedy from time immemorial for congestion of population. It is palliative if not remedial. For the most part these movements towards the land in the past have expressed themselves through emigration from one nation or continent to another. In America land colonies have been formed in various parts of the nation with varying degrees of success, while some have been failures.

The opening up of the new lands in the arid West through the operation of the Reclamation law, signed by Roosevelt, and under which for construction work over \$67,000,000 have thus far been expended, has been a remarkable and most praiseworthy undertaking, indirectly affording relief to the congestion of our population.

There is, however, a weakness in this

Reclamation law, as it now stands, in that its beneficiaries are almost entirely those who are from the middle classes of society (such as have at least \$1000 or \$2000 in hand before going on to the new land). No provision is made for the unfortunate persons who really have the most need of help, but who do not possess as much money as is now required. The vast sums of money which have been spent in reclamation projects must be returned to the government by the beneficiaries.

ENLARGEMENT OF RECLAMATION.

It is now proposed to extend the reclamation service (now limited to *arid* lands) to *swamp* and *overflow* lands, which are mainly found along the Mississippi River and its tributaries. Three bills have been introduced in Congress to accomplish this purpose. One of them was several years ago by ex-Senator Flint, of California, one by Senator Newlands, of Nevada, and one last June by Congressman Dupre, of Louisiana. So far as one can see by the reading of these bills their beneficiaries must be, as now, above the poverty line.

At the Reclamation Congress held in Chicago last December an organization was formed for the purpose of securing governmental aid in reclaiming swamp and overflow lands of which there are over 20,000,000 acres. "This means" says one writer, "something like \$4,000,000,000 in real estate plucked from the river. The water power, the sanitary redemption, the town sites—the value of all these should bring the whole to five billions."

HAS NOT THE CHURCH AN OPPORTUNITY HERE?

The organization which was formed in Chicago to push swamp reclamation was mostly composed of railroad officials and real estate dealers who are naturally looking for dividends. It would seem that right here is an opportunity presented for the church to show her love for the poor men of our cities by advocating that the law ere it pass, to reclaim the swamp and overflow lands, shall contain provisions whereby the very poor of *our own* citizens, if worthy, shall be the first beneficiaries of the act.

One can see no reason why our general government can not do as well by our poor as did New Zealand a few years ago for its unfortunates. It will be remembered that that island had tramps and beggars for a time, but now they have none, because of their successful colonization and land laws, which took their poor from their cities, advancing them transportation, buildings, etc., and started them at work upon small farms.

If this seems a reasonable scheme let me suggest that the reader write favoring the idea to his congressman, or to Hon. Joseph T. Robinson, chairman of the House Committee on the Public Lands, or Henry George, Jr., of the same committee.—JAMES P. CADMAN in the *Baptist Standard*, Chicago, Ill.

NATIONAL SYMPTOM OF UNREST.

Indeed, it would be unjust to English conditions to account for this uprising solely upon the ground of the grievances which merely gave occasion for it. It cannot be understood apart from the very prevalent unrest among the world's manual wage-workers to which it gave a local, yet national expression. Whatever the immediate occasions for this unrest may be in different lands, however the local situation and grievances may differ, whithersoever the movements of this unrest may tend under differing political and economic conditions, it has a common origin and a common goal. This world-wide unrest has its origin in the world-wide spread of aspirations which increase the wants of the people. Its common goal is a larger share in the product of the common toil and larger control of the conditions under which the working people live and labor. The dominant motive and aim of their struggle is for a higher standard of living and better working conditions. By a strangely common impulse, yet without international organization, or even an understanding between any of them—except the socialist minorities—the ranks of the industrial peoples of Spain and Italy, Belgium and Holland, Germany and France, England and the Scandinavian countries, Australia,