



## Review and Reflection

BY

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IN 1969 Alabama celebrated its 150th anniversary as a State of the USA. In the same year a little colony in the south of Alabama celebrated its seventy-fifth anniversary, it being half the age of the State itself.

The colony is Fairhope, the oldest continuing settlement founded on the principle that the rent of land is the proper source of public revenue, not taxes on labour and industry. It is not a very large colony, yet it holds many valuable lessons as a social laboratory.

In 1894 a group of single taxers, mostly from Iowa, selected the nearly uninhabited area on Mobile Bay for their colony, purchased cheaply a tract of land and opened for business. A corporation was formed which leased out land to settlers on which they might build their homes, farms and businesses, and the rents received were used for public services, also to pay county taxes. Since the colony was a private corporation, not a political entity its residents were subject to the taxes of the county it was in, Baldwin County, and these were taken on by the corporation as much as possible.

As Fairhope grew, it eventually attracted people around the colony. Ironically, this latter process inhibited the growth of the colony itself; for the growing population increased the value of land and the high price of non-colony land made it more difficult for the colony to add to its holdings. A city eventually grew up, partly on colony land and partly on private land (which is called "deeded land"). Fairhope grew at a greater rate than any other area in the county.

Today, there are about 8,000 inhabitants in the city of Fairhope and about 4,000 residents in the colony which includes a large tract of land outside the city, mostly farming land, but becoming suburban in nature. Although the colony owns only a portion of land within the city, it is the most important part, comprising the business centre as well as residential land.

The advantages of this colony's land system are not immediately obvious to a visitor. When a measure of land-value taxation is adopted, the benefit most frequently pointed out is the better quality of improvements. One could pass through Fairhope without pausing in wonder at its glories. It requires a second look and a study before certain qualities begin to appear. The main shopping street is tidy and compact, not

## FAIRHOPE AFTER SEVENTY-FIVE YEARS

infected with the blight that is overtaking main streets throughout the USA. And the business area ends abruptly at the division between colony land and deeded land.

Many of the homes on colony land may not be superb models for *House and Garden* magazine but it should not escape notice that the colony has made it possible for people of very modest means to acquire a place to live that would not be obtainable by them in the outside world.

This advantage was of special importance during the Great Depression, and the people of Fairhope were able to ride out this economic disaster without the usual evictions, defaulted mortgages, business failures and unemployment. There was always the land to fall back on. The Bank of Fairhope was one of the few that did not have to close its doors during the wave of bank failures.

As a point of interest, other experiments that were begun in Fairhope, such as public ownership of transit facilities, have fallen by the wayside, while their land system has endured and flourished.

Fairhope has its limitations and problems and so does not present all the virtues of the single tax.

Since the colony is based on land that had to be purchased, it can serve as a model only in a limited way: i.e. sufficient land for a colony could be purchased only in out-of-the-way places, and it is doubtful whether every wilderness experiment would succeed.

Furthermore, the Fairhope colony suffers by not being a political entity, thus it is subject to the tax vagaries not only of the state and county but also of the city it is in. Recognising these limitations, several members of the colony are seriously considering putting up a land-value-tax proponent as candidate for assessor of Baldwin County, which is a large county. Favourable assessment procedures would help Fairhope as well as the whole county.

Unfortunately too many Fairhope people, both in and out of the colony, have little understanding of or sympathy with the Henry George philosophy. However, there is a good solid core who are concerned with the successful working of the colony, and efforts are being made to educate more people. This is extremely important, for similar experiments have foundered on the rocks of ignorance, apathy and hostility.