

in sending his goods to market and in getting his supplies from market.

The Congregational Church of Australia has been having a congress here, and delegates, lay and clerical, have come from six Australian states, and from the dominion of New Zealand. Among them were a few Single Taxers. From New Zealand we got Sir George Fowlds, known the world over for his consistent and persistent advocacy of our principles. From Sydney came Mr. P. J. Firth who addressed the Congress on "Peace in Industry." He told them that any peace worth while must be founded on justice, that if industrial peace involved injustice between employer and employee, a conspiracy between them to rob the consumer, then strikes, lock-outs, and unrest were inevitable.

He showed the object lesson that Australia had given to the world of a series of wonderful and expensive devices for the preservation of industrial peace which had not tended to invite imitation, for the results were anything but satisfactory. He attributed the dissatisfaction of the Australian workers to the fact that nearly thirty years ago they were fooled by promises that if they would adopt a high tariff policy they would have high wages all the year round, and that internal competition would give them cheap living. Always when the promises failed to materialize they were advised to increase the tariff. But unemployment is still with us and internal competition has not reduced prices. Neither had the tariff succeeded in keeping out imports to the encouragement of home manufacture. "In fact," said Mr. Firth, "after 28 years of Industrial Legislation the workers feel that they have been fooled by industrial courts and fixation of wages, just as they were fooled by the high tariff and the promises of its advocates."

Mr. Firth found another reason for disappointment and dissatisfaction in the fact that though Australia had applied in small part the principles of Henry George, involuntary poverty has not disappeared because such partial application as has been made of these principles has been largely and perniciously discounted by taxation robbery. Referring to the church idea that a meeting of employers and employed in the Christian spirit of give and take would go far toward solving the trouble, Mr. Firth said though he sympathized with that spirit it involved a wrong diagnosis; men did not strike because they were unfriendly to their employers, but because they hoped to better their condition, and employers did not shut down owing to any unfriendly spirit, but because they knew they would lose more by keeping open.

After clearly expounding the beneficent effects that the Single Tax would bring about in the production and distribution of wealth, Mr. Firth urged his audience to consider if our industrial problems are not due to the failure to recognize the economic laws which a benevolent heavenly father has framed for our guidance. He concluded by

urging that if his hearers were in earnest about industrial peace they retrace the steps taken during the last three decades, abolish all their custom houses, open their ports to the good things of the world and raise their federal, states and local revenues as does the city of Brisbane.

I might add for the information of readers of LAND AND FREEDOM that improvements are not taxed in Brisbane, but though unimproved land values bear the burden of municipal expenses, we have a very hap-hazard method of valuation. Very much land is under-valued and rates therefore appear to be immoderately high. Also there are some charges that fall on the users of public utilities and not on land served by them. But there is no doubt that if the measure of Single Tax enjoyed in Queensland were abolished our industrial troubles would be even greater than they are.

EDWIN I. S. HARDING.

More Bunk for the Farmer

SINCE the Democrats have become protectionists their support of the debenture clause in the farm relief bill is at least consistent, regardless of how wide a departure it marks from the historic tenets and traditions of that party. By the same token those Republicans who denounced the debenture plan as socialistic and paternalistic, which it is, are open to the charge of inconsistency in view of their historic support of the tariff demands of the textile manufacturers of New England and the steel manufacturers of Pennsylvania and Ohio.

To our way of thinking the debenture scheme of the farm relief bill is a preferable plan of plunder to the tariff. In economics both are indefensible. But the debenture clause in the farm relief bill is at least definite and direct. The tariff has always been indirect and insidious. The one openly and frankly makes a raid on the federal treasury for a particular class, the farmers, but the amount is fixed and comes directly out of federal funds. The tariff is less honest in that it amounts to an unconstitutional sale of the tax powers of the nation to a particular class, the manufacturers, and the enormous amounts it extracts from the consuming masses are only conjectural, but admittedly mount into the millions annually.

Just how the farmers divide numerically on the debenture plan cannot, of course, be accurately ascertained. Its rooters among farm leaders make enough noise to indicate that they are in the majority. And yet we can scarcely believe that a majority of the real, thinking, dirt farmers of the United States can be deceived into the belief that they will actually profit financially by this debenture scheme in the way and to the extent the protected manufacturers have profited the last sixty years. If they are so deceived they can have only themselves to blame during the long and painful process of debunking thru which they must inevitably go if their proposed raid on the treasury receives the sanction of law.

Bounties to farmers, subventions to the shipping interests, tariffs for manufacturers are all of a piece. They are all flagrant violations of the natural law and economic abominations in the sight of God and man. More to the point they are all unnecessary and must sooner or later be swept into the discard if we are to avoid the rocks industrially and commercially.

All of our major ills are economic and not political. This is only another way of saying that salvation lies in the wholesale repeal of many of the laws we now have instead of piling up one monstrosity on another in a pitiful attempt to overcome the evils of one bad law by the enactment of others equally vicious; or to express the same idea in other words, that there is any hope for the future in the ridiculous antics of our time serving "statesmen" in Washington.

When both the people and the politicians come finally to admit the fact that industry periodically languishes; that millions of men are either unemployed or underpaid; that the lying term "overproduction" really means involuntary underconsumption on the part of whole nations; and that the fault is a system of taxation which penalizes thrift and honest toil on the part of both labor and capital in order that the parasitical few may collect the bulk of the nation's ground rent without any return to society, then and not until then will there be honest, fundamental relief for the farmer.

Of the debenture plan we can fervently subscribe to its recent characterization by the *New York World* in the following pointed language:

"Disliking bounties the *World* is opposed to the debenture scheme. But for the sake of publicity in this country it would be most illuminating if the debenture plan were tied up with the Smoot-Hawley tariff bill and debated along with it. Like a tin can tied to a dog's tail, it would keep everybody informed about where the dog is going."

—COSHOCOTON (Ohio) *Tribune*.

SENATOR WITT most unwittingly contends for collecting taxes from the soil when it yielded no revenue, as was the case before the State was well settled and all land taken, whereas, since the State is populated and industrialized to a high degree, with its resultant accrual of "revenue from the soil," ground rent or a social fund of around \$300,000,000 annually, he proposes to forego that easy revenue to which the State has clear title, and instead levy tax on bread and shelter, transportation and utility service, etc.

No "people's lobby" is needed, but a people's school instead, with the 181 legislators in the primary class.

—FRED WILLIAMS in Fort Worth (Texas) *Star Telegram*.

LAWS to enforce personal property taxation are efforts of legislators to match brains with business men . . . and some people wonder why the laws don't work.

Depressions and the Tariff

THE belief is entertained that business depressions come and go in cycles and occur about every ten years. Examination fails to confirm this theory. The 1857 panic was short and ended in the Spring of 1858. There was a depression in 1867 which continued to 1870. From 1870 to 1873, a period of three years, there were fairly good times. Then came the panic of 1873, its terrible effects lasting until 1879. Then good times set in and lasted until 1884.

In 1890 there was a panic from which the country quickly recovered, so that we may be said to have had a year of depression and nearly two years—1891-2—of good times. Then came the panic of 1893, the effects of which were prolonged to 1896, when good times came and continued till the Autumn of 1907, a period of eleven years, followed by a depression from which we were wholly recovered by the Spring of 1909. This should dispose of the theory of a ten-year period for recurring business depressions.

These depressions have been attributed to a variety of causes, ranging from "overproduction" to "sun spots." We may dismiss one along with the other. Overproduction is the more popular theory, but there can be no general overproduction. What may occur locally, or in certain industries, has a tendency to right itself, and its influence upon business generally is temporary. There can be no question that such overproduction as may exist in isolated industries or localities tends in some degree to extend beyond the immediate boundaries, but this influence is neither permanent nor pervading.

We are chiefly interested at the moment in the economics of the protectionist school which attributes depressions to low tariffs. An impartial examination fails to confirm this theory. Even James G. Blaine testified that the Walker tariff of 1846, in which duties were low enough to correspond with what is sometimes called a "free trade tariff," failed to convince the business men of the time that low duties were inimical to prosperity. Business was generally good in these years until interrupted by the financial panic of 1857. So strongly converted were business men to this view that representatives of the New England manufacturers who had opposed the tariff of 1846 favored the amendment of 1857 making a further reduction in duties.

In 1864 the tariff was increased 50 per cent. Manufacturers made fortunes, but wages in gold were less than ever before. In 1867 there were great increases in the tariff on wool, and this was followed by two years of profound business depression. From 1873 to 1879, with the tariff higher than ever before, business depression following the panic of 1873 was general over the entire country.

There is little, therefore, to uphold the contention of the protectionist economists as to the primary cause of bad times. We must conclude that the real causes lie deeper than those generally assigned. Is it too much to ask that