

## RELATED THINGS

### CONTRIBUTIONS AND REPRINT

#### THE SCHOOL OF TEARS.

("In the gall of bitterness.")

For The Public.

"O damn the past!" he frowning said.  
 "Its flowers lie blackened by its frost;  
 Its firefy joys have flashed and sped!  
 Its rainbow hopes, in clouds, are lost!  
 The taper lit by love—how briefly bright!  
 Dear, useless dreams—dissolved in starless night!

"No strain from heav'n e'er thrilled my heart,  
 But prelude was, to wailing hell!  
 From sin, its suffering, none can part!  
 Sad ashes speak, the tale to tell,  
 What wealth was burned, in fatal fires of truth,  
 While folly drank and danced with foolish Youth!"

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("In His marvelous light.")

"The school of tears!" he smiling said.  
 "The lesson learned leaves nothing lost;  
 To higher, wider life I'm led;  
 What use to mourn the tearful cost!  
 The child which Sorrow bears through needless  
 pain,  
 Despite the cost, is still a priceless gain!

"Far brighter flowers shall bud and bloom;  
 Unending joys, my soul shall fill;  
 Unfading hopes gild ev'ry gloom;  
 Undying love, my heart-strings thrill!  
 Thou, Soul of Love, art teaching me—through  
 tears—  
 To help Thee swell the music of the spheres!"

ASHER GEO. BEECHER.

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#### SOCIAL CENTERS.

A Letter from Charles Frederick Adams to the Minneapolis Tribune of January 27, 1911, on School Buildings as Social Centers.

Pray permit me, as a visiting friend and sincere admirer of this splendid municipality, to congratulate it (and American cities generally, which will all be aided by the example) upon the enlightened beneficent and most encouraging resolution passed by your Board of Education to permit, invite and suggest a wider use (by the citizens) of their school property for the "holding of meetings having for their purpose the advancement of civic betterment," etc.

For whatever other good purposes this generous and patriotic invitation may be utilized by the thoughtful and public spirited Minneapolitans I sincerely hope that, in as many neighborhoods as possible, there will be maintained non-partisan

and non-sectarian citizens' "forums," meeting regularly as often as once a week and in the sittings of which the neighbors may become acquainted, may "size each other up," compare notes, consult, discuss, about public affairs; educate and develop one another; encourage and inspire the young men to enlist with enthusiasm in the holy war for the general welfare; call before them, meet face to face (and compare with one another) the rival would-be leaders and aspirants to public office, hear them, examine them, let them know what the people want! "Back to the Town-meeting!" must be our cry.

I prophesy that, if our democracy is to be real, decent and tolerable, before many years in all our cities the voters of each polling precinct will be "ex officio" (so to speak) members of just such a Citizens' Council, non-partisan and non-sectarian, and that these primary forums will gradually be co-ordinated and federated by really representative committees of various grades (district, county, State and national), the whole providing the American people with that social nervous system which it now lacks, and which will serve as the appropriate and adequate organ for the rational development of an intelligent public opinion upon questions of the public interest, as well as of its formulation and promulgation with such guarantees of authenticity as shall give it prestige, directness and the weight and influence which it would deserve.

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#### BAD TAXES MAKE BAD BUSINESS.\*

Report of the Committee on Taxation (Oliver T. Erickson, Chairman, J. S. Brase and C. W. Stimson) of the Manufacturers Association of Seattle, State of Washington.

Within the last two or three years it has been

\*This extraordinarily clear and sound statement of the relation of business to taxation, although adopted by the committee on taxation of the Manufacturers' Association of Seattle, was defeated in the Association by a narrow majority owing to the opposition of Seattle land speculators. The report was strongly commended by the Seattle Post-Intelligencer of November 12, 1910 (the leading Republican paper of the State of Washington), which said on the subject editorially that "there is no reason why the legislature should not submit to the people of Washington the question of exempting manufacturing establishments from taxation. With an abundance of raw material, Washington can easily become one of the foremost manufacturing States in the Union. Within the borders of this State there is work for hundreds of thousands of thrifty toilers. But capital is needed to open up the opportunities to them. Any State policy which will make the Washington field attractive to investors will be a wise policy. It will increase the State's wealth, increase its taxable values, give employment to many men, and add greatly to the commercial, industrial and financial prestige of the commonwealth. The next legislature should submit the Constitutional amendment suggested. . . . Factories should be given a free field in this State."

the policy of the assessor's office in this county to increase the personal property assessments of manufacturing and other industrial establishments. In this work the assessor has been prompted by the requirements of our laws and an ambition to increase the revenues. While his actions in this direction may have slightly increased our tax receipts, it has driven industrial institutions from Seattle, kept new ones from coming, and set some of those now established here to thinking of moving to more favorable locations. The net result has been an injury to the city ten times as great as the increased taxes coming to the county treasury.

That these increased assessments are a menace to our factories is evident from the fact that they have been resisted to the point of litigation. Progressive and thoughtful manufacturers and business men, all over the world, realize that the personal property tax is a relic of primitive times—that in our day of great and complex industrial activity this tax is a failure as a revenue getter and destructive of industrial enterprise.

#### Failure of Personal Property Taxation.

In many progressive countries and communities it has been abolished. In some parts of the United States, where assessors and their constituents realize its evil effects, the personal property tax is nullified by nominal assessments. Wherever this tax has been reduced or abolished, the effect has been beneficial. In Baltimore the machinery used in manufacturing plants is exempt from taxation. In boasting of the city's progress, the Baltimore Sun spoke of this exemption as follows: "The exemption of manufacturing plants has been one of the greatest sources of prosperity to Baltimore, and the impetus thus given to the establishment and extension of manufacturing industries in our city has far exceeded in value the taxes which have been abated. In some lines Baltimore now ranks among the leading manufacturing centers of the country, and this is mainly the result of the growth in the last fifteen or sixteen years. Employment has been furnished to thousands of our citizens, and it would be difficult to estimate the addition either to the number of inhabitants or to the amount of taxable basis directly due to the development of our manufactures."

From literature gathered by your committee might be quoted pages of arguments and resolutions advocating the abolition of personal property taxes. The opinion of students and industrial bodies in general is briefly and forcibly summed up by the Advisory Commission on Taxation and Finance of the city of New York, which said in a report: "The personal property tax is a farce. It falls inequitably upon the comparatively few who are caught. The burden it imposes upon production is out of all proportion to the revenue it produces. Year after year State and local assessing boards have denounced it as impracticable

in its workings and unjust in its results. These recommendations have for the most part passed unheeded or have led to ineffectual attempts to bolster up the law. It is time the situation was faced squarely, and the tax in its present form abolished."

The Tax Reform Association of Philadelphia, in a memorial commending the exemption laws of Pennsylvania, went to the meat in the "pay-roll" cocoanut when it said: "Our supremacy as a manufacturing State is unquestioned, and it is generally conceded that the attainment of this supremacy has in no small degree been due to the wise policy of our tax laws. It has hitherto been the policy of the laws of Pennsylvania to exempt from taxation so much of the capital stock of manufacturing corporations as is exclusively employed in manufacturing. Manufacturing companies have thus been attracted to our State. They have brought in much movable capital and kept it employed here, increasing the incomes of our people and enhancing the value of real estate. They have come and grown and prospered here because their helpfulness to the commonwealth has been more appreciated by our laws than by the laws of other States in which they might have settled, or to which their business might be attracted. The method by which taxes are raised has more effect upon the general welfare than has the amount collected, because even a small tax upon an industry which is exposed to competition will sometimes bear so heavily upon it as to destroy it, or drive it out of the taxing district into another district which, though it may raise a larger amount of taxes, does so in a manner which does not hamper production or trade. In conclusion permit us to recommend for your consideration the 'Golden Rule of Taxation' formulated in 1871 by Enoch Ensley: 'Never Tax Anything That Would be of Value to Your State, and That Could and Would Run Away, or That Could and Would Come to You.'"

The Minneapolis Evening Journal, in commenting on the 1910 personal property tax, made the following observations: "One of the annual joke books of the Minneapolis municipal system is now complete—in manuscript. It is the report of the assessor, on personal property. The only thing that has kept it out of the hands of the train boys is that it isn't issued in fancy paper covers like the works of Joe Miller. Otherwise it has Mr. Miller lashed to the mast and screaming for assistance. No one man could have figured out such a complete series of comedy. Every owner of personal property in Minneapolis helped out on this. There is plenty of it and yet it isn't all padded with facts. There is a laugh in every line."

#### Tax Reforms In Canada.

Inasmuch as radical changes in methods of taxation have been inaugurated in Canada, we desire to call your attention to what is being done

by our neighbors and competitors across the British line.

To any one who investigates carefully and intelligently, it is evident that Canadian communities, by changing antiquated methods of taxation, are offering inducements that divert commerce from Seattle to Vancouver, and draw farmers to Alberta instead of eastern Washington.

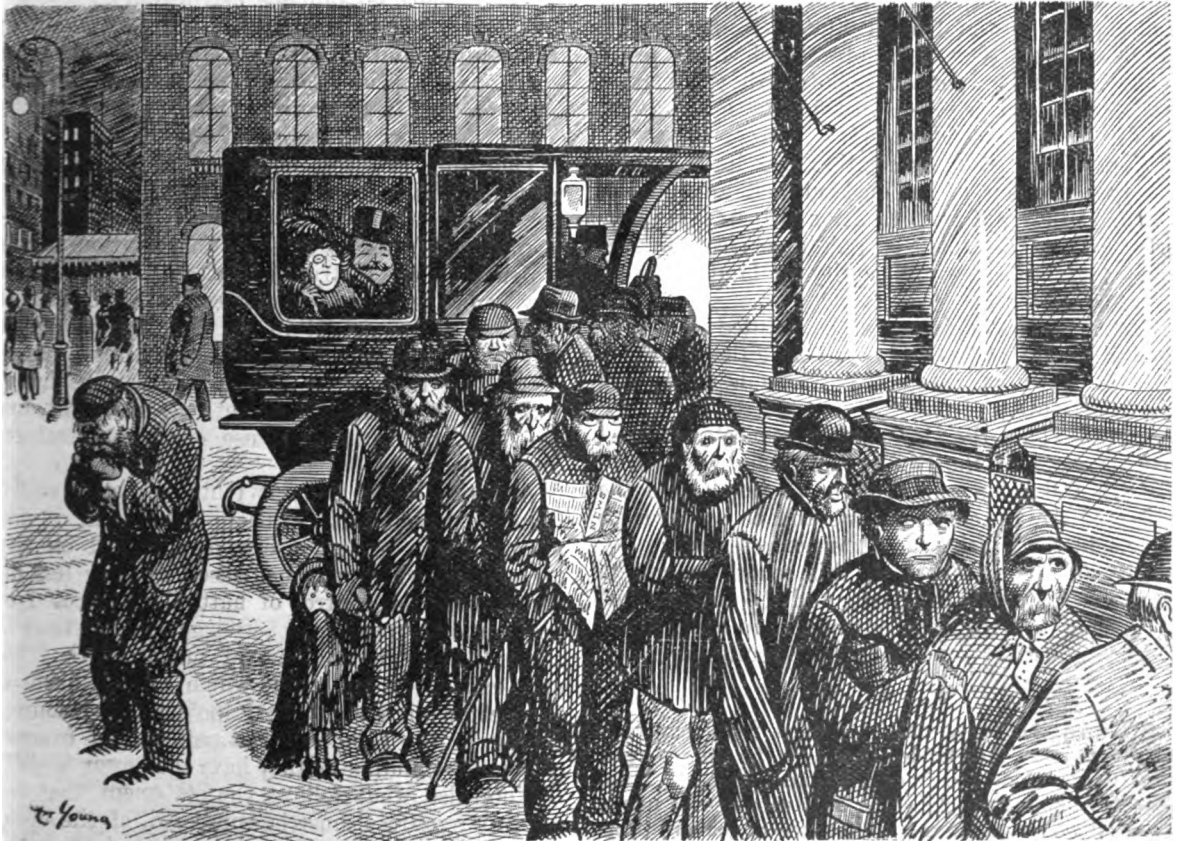
In an address delivered before the International Tax Association, the Tax Commissioner of Edmonton made the following statements: "The system of assessment in vogue in most of our towns and cities is assessment according to the actual value of the land, exclusive of the improvements thereon; and there is no assessment of personal property. As it may be of interest to some of you to know how the system works out in practice, I may say that it is found to give splendid satisfaction. This system is found to be most conducive to the prosperity of the community. In the opinion of some of the most prominent men in some of our largest cities, the system of taxation on land values without regard to improvements or personal property, is the most equitable form of assessment, and any move to make a change would meet with little, if any, support.

This conclusion is arrived at after years of experience with the raising of funds to meet the requirements of rapidly growing cities. And the expense of carrying on the affairs of such cities in a new country, such as the Province of Alberta, is, as you are no doubt aware, very high."

But we have deemed it advisable to go farther than this testimony from the Tax Commissioner of Edmonton, for the cities of Alberta are not large.

Vancouver, however, is in a class with the leading cities of Washington, and it too has abolished taxes on personal property and on all improvements on land. The total exemption in this city went into effect at the beginning of the year, and Mayor Taylor has recently written of its benefits in the most glowing terms.

To satisfy ourselves that his conclusions harmonized with the facts, we turned our attention to the building records of Seattle, Tacoma, Spokane and Vancouver. We have compared the records of the building inspector's offices of these cities for the first seven months in 1909 and 1910, and the figures are certainly startling. In Spokane there was a decrease of 16 per cent over last year; in Tacoma a decrease of 24 per cent; and in Seattle



SEEING THE BREAD LINE.

"How Interesting!"

(From Puck, Copyright, 1911. By permission.)

a decrease of 20 per cent; while in Vancouver there was an increase of 86 per cent.

These facts and figures indicate that Tacoma and Spokane, with approximately the same population, are no longer in the race with Vancouver. That within a year it will lead Seattle in building operations, notwithstanding this city has more than double its population and has the best natural advantages of any city in the Northwest.

Here we have conditions confronting us as well as theories, and it will not do to play ostrich, stick our heads in the sand and pass resolutions that we are safe. It is time to act, or Washington will soon be playing second fiddle to British Columbia, with Vancouver the leading city of Puget Sound.

#### Recommendations.

We realize fully the necessity of advertising our wares, our city, and our State. But, unless conditions for manufacturing and commerce are as favorable here as a hundred miles away, our advertising is simply going to bring people and business to British Columbia and Alberta, and not to us.

Your committee has given much thought and careful consideration to this work. Literature bearing on the question has been secured from many parts of the United States, from Canada, England, and New Zealand. Much more testimony might be submitted, but with the matter laid before you, we feel justified in making the following recommendations:

*First*—That this Association use its influence for the adoption of a Constitutional amendment which will exempt from taxation all personal property, except franchises of public service corporations and buildings and equity in land listed as personal property.

*Second*—That this report be printed and your committee instructed to lay it before the Governor of our State, the State Tax Commissioner, and the legislature.

*Third*—That the Governor be requested to send one or more of the State Tax Commissioners to British Columbia and Alberta to investigate the effect of their exemption laws and be prepared to report to the legislature at its next session.

*Fourth*—That a copy of this report be sent to each newspaper in the State, and the editor asked to co-operate with us in our efforts to bring about better industrial conditions in Washington.



To take the taxes out of ground rent, really, is not taxing the land-holder at all; it is merely ceasing to give him the unearned increment; it takes from no one; it simply stops a private use of public property. It also stops a public use of private property. It leaves the land-holder his; it leaves you yours; it leaves me mine; and it gives to all of us ours.—A. G. Beecher.

## BOOKS

### GIFFORD PINCHOT'S CONSERVATION.

*The Fight for Conservation.* By Gifford Pinchot. New York. Doubleday, Page & Co. Price 60 cents net.

There is no voice of "howling dervish" here. It is the plain spoken utterance of a man who understands what he is writing about, who sincerely means what he says, and who seriously says what he means. Prosperity, morality, equality of opportunity—these are among the high notes he strikes.

It may indeed seem curious that so keen sighted an investigator could say, as the author does at page 66, that he believes in "dividends for the people as well as taxes," without detecting the relation between them. Of course there is no relation between social dividends and taxes of the piratical sort; but normally the ad valorem taxation of privilege values which those of us with valuable privileges pay, are the dividends of those of us who have no valuable privileges.

But Mr. Pinchot's attention is concentrated in this volume, and properly so, upon the battle for equal opportunities as expressed in the great fight for conservation of natural resources, and that is enough for one man's mind at one time.

That this involves, however, the far reaching principle which more or less unconsciously affects the author's thought, may be seen from such observations of his as these: Conservation means "fairness in the distribution of the benefits which flow from the natural resources;" it "holds that it is about as important to see that the people in general get the benefit of our natural resources as to see that there shall be natural resources left;" and "that the people have not only the right, but the duty, to control the use of the natural resources."

And how could a great truth be better stated than in these words: "There is no form of monopoly which exists or ever has existed on any large scale, which was not based more or less directly upon the control of natural resources"? or how could the remedy be better generalized than in these: "There is no form of monopoly that has ever existed or can exist, which can do harm if the people understand that the natural resources belong to the people of the nation, and exercise that understanding as they have the power to do"?

Note also what follows the statement that our natural resources must be conserved, at the opening of Chapter x: "That is good, but it settles only half the question. For whose benefit shall they be conserved—for the benefit of the many, or