

is only fair and just, therefore, that the millions of values created by the people as a whole should be, in an equitable manner shared by them. They can so participate by just methods of taxation of the values they created.

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The (Portland, Ore.) Labor Press (Labor), January 11.—Recently a lease changed hands on an inside 50 by 100 lot facing on Fourth between Stark and Washington that indicates a value of \$300,000. The owners and original lessees together obtain \$15,000 a year for the use of the ground, and a building falls into the hands of the owners in a few years in addition. One of these inside lots is assessed at \$65,000, and another at \$58,000. The owners pay no taxes. They draw the money clear. In the past five years it has doubled in value. Who created that value? Did the owners?

RELATED THINGS

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ACHIEVEMENT.

For The Public.

A striving mortal wrought of proud and towering size

His life's ambition, where, unheard, a million fell.
His soul and human virtues all for this dear prize
He coldly thought above the law of love to sell.

And men bowed down in hopeless chains before his fame,

Without the heart he had, indeed, much need to claim.

A fellow of misfortune came the bankrupt's way.
With failure for his guide and hunger for his guest,

And meeting want gave his unmortgaged heart to pay

The tears and sorrow of the heavily oppressed.

His one poor crust with sympathy he brought to mend

The fallen faith that dearly hailed and held him friend.

GEORGE E. BOWEN.

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THE BEES AND THE HORNETS.

Ellis O. Jones in Puck.

Once upon a time a swarm of busy Bees made and stored a large quantity of honey in order to provide for their wants during the long winter. But it so happened one day, when the Bees were not watching, a swarm of Hornets came along, pre-empted the honey, and claimed it as their own by right of discovery.

Then ensued a great dispute lasting for a long time. Lawyers were called in, and the more they talked the more confused grew the issue, until even some of the Bees thought that the Hornets had the best claim to the honey.

At length they decided to leave the question to the Wasp as judge. The Wasp stayed awake as well as he could and listened while the contesting parties presented their respective arguments.

When they had finished, the Wasp said he would take the question under advisement and render his decision as soon as compatible with a careful examination of the law and the facts.

Several years later the Wasp handed down his decision in favor of the Hornets. He said that it had been an exceptionally difficult case to decide, because common sense seemed to favor the Bees. On the other hand, he declared, everything else, such as the Constitution, the statutes, and the welfare of business, was on the side of the Hornets. He explained that, while the Bees may once have had rights, they had slept on them so long that they had them no longer. Furthermore, inasmuch as the Hornets had been in possession of the honey for so long, a period of time amply covered by the Statute of Limitations, the honey must be viewed, not in the light of stolen goods, but rather as unearned increment, to deprive them of the veriest tithe of which, even for purposes of taxation, would be nothing less than confiscation, a process which is especially abhorrent to people who have things to which they are not entitled.

The Hornets were so pleased with this decision that, a year or two later, they had Wasp appointed Chief Justice of the Supreme Court.

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MUNICIPAL CONSERVATION.

From an Address of William Dudley Foulke, Successor to Charles J. Bonaparte as President of the National Municipal League, Delivered at the 1910 Convention of the League at Buffalo.

There is a kind of conservation that lies at our own doors—it is the conservation of our municipal resources. Every city, every county, every township in America is the possessor of property which if it were in the hands of private persons would give large returns. Now no one will claim that it ought to be used in exactly the same way by the public, that it ought to be used for profit to the same extent as if it were private property, yet at the same time we have been immensely wasteful of those municipal resources, just in the same way as we have been of our national resources. The streets of our city are immensely valuable and their value grows year by year. The parks of our city, many of our public edifices, the roads in the country, all these things have a very great and constantly-increasing value, but we have wasted them in the same way that we have wasted much of our national domain. We needed some new improvement—an electric line, a railway through the streets, new waterworks—we were anxious to have that at once, and the result was that we improvi-

dently placed in private hands, the hands of some private monopoly, these possessions, which increase year by year in value, whose power to earn increases year by year, which ought to have been kept for our benefit or leased out upon short terms for the benefit of the whole people. That is the problem of municipal conservation.

Not long ago my wife said to me, "A city ought not to require taxes from its citizens, it ought to be able to pay dividends on the property it owns." Well, that seemed to me at first something like a will-o'-the-wisp, well adapted to the pursuit of the feminine mind and I wanted to dismiss it, but the good lady argued the case with me and the more she argued it the more she convinced me. Her argument was an application to purely municipal questions of a theory very similar to that set forth by Henry George in his "Progress and Poverty"—the single tax. She said: "Take this city where we live; the land which underlies it would be worth for farming purposes a hundred to a hundred and fifty dollars an acre, that is all; now it is worth, parts of it, many thousands of dollars for a small fraction of an acre. How did that value arise? Why, it arose because the city has come, because people built houses close to each other and started industries. That is the value that the city gives. Where the city gives value it has the right to take value, it has the right to draw its income from this increased value of the land. So that if a city were taken sooner and the property of that city were conserved for the common benefit there would be no need of levying any other tax upon its citizens; but, upon the contrary, the city would pay dividends to those citizens, not only to those who own land but to all of them. That seems extravagant, but in that case the city simply taxes the value that it gives, taxes nothing else, does not tax the produce of labor.

I saw not long afterwards in the newspapers an account of a town here in our country, the town of Fairhope, on Mobile Bay, not a large place; it was settled by some immigrants from Iowa; they determined to start their town that way; they took the town young, they leased the land from the municipality and they built their city and they have been running it for about fifteen years; they are able to carry on their government without any taxes, paying themselves the State and county taxes, to have a telephone system, to have schools, public libraries and a free public dock and the town is said to be prosperous. Now I think that this town would be a very good object for investigation by the National Municipal League. If towns and cities are to be established hereafter it may be a good thing to know the best way to do it.

That is one example. But the examples in this country are comparatively rare by the side of those abroad. There is in Sweden a town by the name of Orson which did not own all the land upon which it was built, did not lease it all, and yet that

town, without any taxation upon its inhabitants, supports a street railroad for the free use of all, supports a library, and a public school and pays its own taxes to the government. How does it do it? It does it from the product of the trees which are grown in and around the town. The citizens of the past generation were provident, they planted these trees, of good sort, valuable for timber, and now their descendants are cutting the trees down, replacing them as fast as they are taken (the forests are not denuded) and there is enough profit from their sale to pay all the taxes of that town and to give it a free street railway. That is an extraordinary incident, but that is only one. Mr. Ockel, in the *Westminster Review*, if I recollect right the periodical in which it appeared, mentions the fact that in Germany there are now 1,500 villages that are supported from the produce of communal lands, without taxation upon their inhabitants, and that in a considerable number of those towns and villages there is a dividend actually paid to these inhabitants.

A great deal can be done here from the mere use of the streets themselves, for there is just as much unearned increment in a street as there is in a town lot. What do you mean by unearned increment? If I buy a lot out in the suburbs, that has very little value today, and get it for almost nothing, and people go out in that direction and build around it, it becomes a great many times, sometimes scores of times or hundreds of times, of its original value. That value is not conferred by any effort of mine, I am not entitled to any return on it, yet I get the return, and the city, which confers the value, gets no return except the very limited taxation each year upon the value of the lot. What remains to a city today? The streets of the city have an unearned increment, increasing in value all the time, just the same as the lot has—the street railroad, increasing its traffic as the town grows, the waterworks increasing the connections with the different houses as the towns grow, always supplying more and more water as the town increases in size, the telephone always with more connections as the town grows, so that prudent investors invest at a very low rate of immediate return because they know there is this constant rise in value in a growing city. That rise in value ought to be kept for the city, not for the stockholders. It ought not to be given for long terms upon a certain fixed basis, so much per year. Least of all it ought not to be conferred gratuitously, as nearly all of our cities have in the past conferred their franchises. When a term is fixed, that term ought not to be too long and the return ought always to be graduated with the rising value of the thing conferred. That is, that as the value of the waterworks system or of the street railway or lighting plant, or whatever it may be—as that value grows the return should grow also.

If our cities had been conducted upon that basis

at the beginning the present taxes would be very greatly reduced. And one of the very best ways to do that is, where it is possible, to have the municipality both own and control the plant. Most of us used to be opposed to municipal ownership, and with very good reason, because, we said, "Why, a city doesn't know how to transact business; the council is always elected as a mere matter of politics; the government is corrupt; if it can't make a good contract with anybody, how can it run a plant?" But there is a brighter day dawning even for American municipalities. By a process of gradual evolution the necessary business sagacity to do this thing is becoming more and more the possession of the municipality.

More and more intimate becomes the relation of the city to the individual, for with all the complexities of modern civilization we see that it is not so much the independence of the citizen and of the individual as the interdependence between the individual and the city—the city, the municipality and the State going more and more into men's lives. Whatever we may think of the new nationalism, however we may feel as to the centralization of power in the Federal government, I think we can have but one view of that new municipalism which shall control and make more intimate the relations of the individual with the immediate community in which he lives.

BOOKS

THE LAND QUESTION.

In the year 1873 there was published in London by Macmillan & Co. a book entitled, "The Land Question," by John Macdonell, containing much information in regard to the land laws of Great Britain, and showing a clear perception of the injustice they legalized. As the volume is now difficult to obtain, and as it shows a remarkable grasp of principles destined a few years later to find supreme expression in "Progress and Poverty," the following extracts may not be without interest to your readers:

"The Land Question—a question which begins to overshadow all other political problems set before the country; one, perhaps, of that rare kind which, with no rhetorical flourish, we may say that states must, in good time and in a wise fashion, solve or decay. A people are what their land system makes them; the soil that they till is stronger than they; and the essence of their history records the changes in the ownership of their land. . . . Few things exhaust men's immense capacity for misery more nearly than a bad land law. . . .

"It having been shown that 'economical rent' is paid for differences in quality and situations of land, created by no man, or that it originates in

circumstances not to be credited to the land-owner, it would naturally have been expected that from Ricardo's principles would have been unanimously and instantly deduced the conclusion that economical rent should not become the subject of private property, that no private individual should be permitted to monopolize 'the original and indestructible properties of the soil,' and what no man had created or earned by labor of his no man should own. It would have been only natural for all who accepted the preceding account of rent to hold that rent which proceeded from common labors of the community should belong to it, that wages were not more fitly the reward of the laborer, or profits the reward of the capitalist, than was rent, as Ricardo understood it, the appanage of the community or state, and that, to quote the popular phrase, 'the land was the property of the people.' . . .

"Since the state, ever needy, is compelled at present to draw its revenue from taxes which are a hardship to all, and a grievous burthen to the poor, it is no paradox to affirm that the maintenance of the state should be provided, as far as may be, out of those funds which Nature herself seems to have appropriated to public purposes, arising as they do out of common or public exertions. . . . That which presses on no man, yet benefits all, is on the face of it a better mode of obtaining a revenue than that which mulcts all, it may be, unequally, and to the grievous injury of some. That which, taking from no man's just earnings, yet provides for the just common wants, is conspicuously superior to a system of which the true principle, according to Mr. Lowe, is that you must pinch every class until it cries out. An offer is made of a mode of raising revenue, which takes from none what they have rightly earned, which need rob no man of what he has rightly bought, and which will replenish the Treasury. No man being mulcted, no man wronged; and are we to reject this offer, and for ever allow so many private interests to gather round this public domain that it shall be useless and perverted? To a like question the answer once made was a decided negative. For a time the revenue of this, as of every other state of Europe, came from rent. But the answer was revoked: the feudal duties incident to property fell into desuetude, and ultimately they were abolished; much of the Crown land was squandered; and for centuries the nation has been reaping the harvest of its errors, each sheaf whereof has been some tax, often vexatious and cruel. . . . We vex the poor with indirect taxes, we squeeze the rich, we ransack heaven and earth to find some new impost palatable or tolerable, and all the time, these hardships going on, neglected or misapplied, there have lain at our feet a multitude of resources ample enough for all just common wants, growing as they grow, and so marked