



CHAPTER XIII

THE CITY'S HOMES

THE remedies thus far proposed for the destruction of the slum have scarce touched the problem. And at best they are but palliatives. The English cities have done much. Immense areas of land have been razed of tenements and model homes erected. In many instances they were immediately filled with artisans, clerks, and those already fairly well provided for. Private philanthropy has also undertaken the erection of model dwellings and the betterment of sanitary conditions in London, New York, and elsewhere, only to report that unnumbered thousands were as yet unreachd. Private philanthropy cannot solve the problem, for splendid as its achievements are, the evil outruns this remedy.

Aside from private efforts, three policies of public relief have been advocated. One is the passage of stringent building laws and the enforcement of severe limitations upon landlords as to air space, plumbing, and sanitary conditions. Such legislation has been enacted in New York, Chicago, Cleveland, and probably elsewhere. The latter city recently enacted a model building code.

By the provisions of these laws the character of construction is supervised, overcrowding is prohibited, and adequate air space ensured by limiting the amount of land which may be built upon. Such regulations, if rigorously enforced, will improve sanitary surroundings, and will do much good, but they will not reduce rents. And it is high rents, and the withholding of land from use, that produce overcrowding.

When it is considered that such limitations are demanded as a means of protection from the dangers of disease, contagion, crime, and the like, the solicitude heretofore shown the landlord seems hardly warranted. The law prohibits nuisances and denies to the individual the right to use his property in such a way as to endanger life. We do not permit the sale of impure food, however profitable it may be to the dealer, nor allow the use of property for improper or immoral purposes. Similar considerations make it reasonable to insist that the landlord be restrained in the improper use of his property.

A still further means of relief lies in cheap and rapid transit to the country. In Glasgow much has been done in this direction. In that city all the means of transit are owned by the community. By means of such ownership a portion of the slum population has been dispersed to suburban sites through cheap fares and rapid transit. Such

means of relief have long been applied in Germany. And unquestionably much will be done in this direction in the future in America.

Were the City of New York to manifest as much interest in its two and one-half millions of slumdom as it does in its shipping; were it to take up the problem of human life as seriously as it has taken up the building of docks; were other cities to manifest as much concern for their tenement dwellers as they do on other matters, the problem of housing would be open to speedy correction. For the open fields about the city are inviting occupancy, and there the homes of the future will surely be. The city proper will not remain the permanent home of the people. Population must be dispersed. The great cities of Australia are spread out into the suburbs in a splendid way. For miles about are broad roads, with small houses, gardens, and an opportunity for touch with the freer, sweeter life which the country offers.

This is only possible by designing new means of transit. For men must have easy access to their work. To meet this need will involve subways and tunnels, rapid transit and municipal farsightedness. Such a programme cannot be left to the free play of private initiative, for it is a matter of supreme public concern. A conscious housing policy is one of the pressing obligations of city

administration, just as is the supply of water, gas, electricity, police, and fire protection. We cannot rely upon the free play of competitive forces, for private agencies now have no pecuniary interests in such a problem.

As we have seen, it is the high rents and a lack of houses that cause overcrowding and create the housing evil. The great mass of urban dwellers are tenants, not owners, and the tenement-evil can, therefore, only be reached through the landlords. For the city dweller is too poor to own land. Improved building and sanitary laws will not reduce rents. As a matter of fact, they will raise them. Rapid suburban transit will do something. But its immediate effect will be to increase the value of land in the suburbs, which will respond to its greater availability for building purposes.

Ultimate relief, therefore, whether in the city or the suburb, can only be secured through a reduction of rents and an increase in housing facilities. Anything which increases the number of houses will accomplish this end through the law of demand and supply. This, it is believed, would be achieved through the taxation of land values, and the abandonment of all rates upon buildings and improvements. To many this will seem an inadequate measure. Taxation does not seem equal to such a substantial reform. But it has been urged in New York. It is confidently offered as a solu-

tion in Great Britain, while somewhat similar measures have been adopted in Germany. Some of the reasons for such a change in our taxing machinery will be found in other chapters, entitled "The City's Treasure" and "The Revenues of the City."

Its immediate effect would be a stimulus to building. It would at once increase the house supply. It would encourage improvements which would then go untaxed. Moreover, it would force land now lying idle into productive use. It would encourage the honorable and punish the slum landlord. It would place a premium upon the model tenement and a penalty on the shack. Under present methods we reverse these influences and punish by increased taxation the owner who erects a model dwelling, while he who maintains a slum tenement finds his taxes reduced by so doing. Every bathroom that is installed, every fire escape added, every improvement in comfort, sanitation, and the like, is met by society with a penalty. History records how, in ancient France, the window tax resulted in the boarding up of houses and the closing of the peasant's cottage to the sunlight and air. We now recognize the absurdity of such a method of raising revenue. But our present system is, in all respects, similar. The bad tenement is at a premium, while the good tenement is burdened by the community because of its goodness.

Through the concentration of all taxes upon the land, idle holdings would come into the market. The owner could no longer hold them for speculation. The inevitable result would be a stimulus to building, which would, in turn, increase the tenements seeking tenants, and thus bring about a reduction in rents. Moreover, the cost of house materials would be reduced to the extent of the taxes removed. This would still further reduce rents. Buildings would then be a profitable thing to own, unimproved land a burden. New tenements would be erected. Soon landlords would compete for tenants, instead of tenants competing for landlords. This would lead to improvements of all sorts, just as the erection of modern office buildings and apartment houses has led to competition in conveniences for the well-to-do classes.

To-day in every big city, even in such crowded centres as New York and Boston, large areas of land are held out of use, just as the trust holds its mines and mills out of operation, or the cotton-grower destroys a portion of the crop to increase the price of the balance. How extensive this withholding is may be seen in any city. From the testimony given before a Congressional Committee in 1883, it appeared that one-half of Manhattan Island was then vacant and a large proportion of the balance was badly improved. We see the

effect of taxation upon urban development in the English city. London is irregular and filled with antiquated buildings, unsuited for modern purposes. All of the municipalities exhibit the same condition. The cause is found in the practical exemption of urban land from local taxation. Taxes are measured by the annual rental value of a structure. If vacant, it pays no direct taxes at all. If badly improved, even though in the heart of the city, its taxes are determined by the rental value of the property. In consequence a premium is placed on vacant land, or the tumble-down tenement. The owner can improve it at his pleasure. There is no stimulus to enterprise, no encouragement to effort. The result is apparent in the English city, which is the worst built in all Europe.

Were the burden of taxation shifted from the rental of the house to the land alone, a stimulus to building would result, while the broad acres lying just beyond the city, which are practically exempt from taxation, would be opened up to the use of the people, now huddled within the tenements.

This principle has been recognized in the city of Toronto, where a movement has been started through direct legislation to exempt \$700 of the value of the house from taxation. The avowed purpose of this legislation was to stimulate house-ownership and the erection of small homes. In

Manitoba, likewise, the houses, barns, and improvements are exempted from taxation, the local rate being all assessed against the land. This was designed to prevent land speculation, and the building up of immense estates, such as exist in the American West. When one considers the increase in tenantry, all over the United States, not to speak of the very general exemption of great wealth from taxation, the adoption of some means which will check the one and equalize the other seems demanded by every consideration of expediency and justice.

Statistics show that the increase in urban land values is often from five to ten per cent. per year, enough of an increase to warrant the landlord to sit idly by and permit society to bring his land into use. In New York a recent increase of twenty per cent. in the tax rate doubled the number of houses erected, according to the testimony of builders. Such a result inevitably follows, for an increase in the taxation of land would render it unprofitable to hold land vacant, and profitable to bring it into use. Landlords would then erect model tenements from necessity, rather than from philanthropy. The pressure of taxation would necessitate this.

Moreover, the throwing of the burden of taxation on to the land would reduce rents, just as the taxation of houses increases them. For a tax upon

the house is borne by the tenant, while a tax upon the land falls upon the shoulders of the landlord. Nothing is better established in political economy than that the land tax cannot be shifted; it remains where it falls. It simply reduces the unearned increment of the landlord. Taxes upon improvements, on the other hand, increase the cost of the buildings, and to that extent are shifted to the occupier.

Further than this, such a policy of housing reform is automatic in its operation. It enforces itself. It operates as does the law of competition in the business world. It requires no supervision by the city, no regulation by the state. But the forcing of all land within the city into use, and its most productive use, will lead to competition on the part of the landlords for tenants just as the pressure of business leads to competition in the business world for buyers. Where such a condition prevails, the shack will come down, the unsanitary tenement will disappear, just as have the older office buildings which could not retain their tenants in the face of the newer ones which have recently been erected.

This reform calls the self-interest of man to the aid of the government. It compels man to work for society, rather than against it. It seeks to give to each the result of his labors, but not the result of the labors of others. It would correct

the monopoly of land within the city by compelling the speculator to pay for his speculation, or use the lands which he holds as society requires.

This is the simplest, as it is the most effective cure of the tenement. It operates by a natural law of self-interest. Self-interest to-day produces the slum and the tenement. Were improvements relieved from taxation, and the burden thrown down upon the land alone, the same self-interest would bring down the tenement and fill the vacant land of the city with inviting homes.

Such a change could be inaugurated in any city by a law or ordinance exempting all improvements and personal property from taxation. No further legislation would be needed. The burden of taxation would settle immediately to the land. The pressure of necessity would then bring down the shack and send up a new dwelling. The same influence would be operative on the owner of vacant land. No longer could land be held out of use without great loss.

It is probable that the housing problem must become very much worse before it will become much better. And yet it already is the problem of the city, just as the city is the problem of our civilization. For the home is the basis of our citizenship, as it is of all moral and physical well-being. That the home should be sound is more important than that the schools be adequate, the

police efficient, or the streets free from dirt. The tenement has already become so pressing an evil, in a half-dozen of our cities at least, that it cannot be longer ignored or treated in a temporizing way. It is a sort of social gangrene, which devitalizes life, saps the physical and moral vigor of a city, and indirectly produces many other evils which can only be corrected by going back to the source. For bad housing not only affects the physical stamina of men, it destroys womanhood, invites to prostitution, and encourages vice. From it crime emerges, filling our jails, reformatories, and prisons. Here the saloon and the low resort thrive, while disease spawns its frightful record of mortality.

The problem of the city home is a problem of humanity. Yet so solicitous are we for property that we subordinate all other considerations to it. For the housing problem is an economic one. It cannot be solved by an appeal to personal morality or goodness. And only by cutting out the underlying causes of overcrowding, and encouraging building, can any relief be found for conditions which, in recent years, have destroyed the earlier traditions of life in America. Cheap rents and better homes can only come through competition, either the competition of the suburb or the competition of the urban landlord. Anything which increases the number of homes will aid in the cor-

rection of the evil, and rapid access to the country and the taxation of land values alone can bring this about. Were our solicitude for human life as great as is our concern for property rights, these reforms would be easier of adoption.

How easily this could be achieved; how little of injustice it would produce; how generous the city has ever been to the landlord, and how much the landlord is indebted to society in return, will appear in the chapter entitled "The City's Treasure."